



CITY OF MILPITAS

455 EAST CALAVERAS BOULEVARD, MILPITAS, CALIFORNIA 95035-5479 • www.ci.milpitas.ca.gov

OFFICIAL INSTRUCTIONS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) Program Guidelines - Public and Capital Service Projects FY 2021-2022

INTRODUCTION

The City of Milpitas is designated as an Entitlement Community by the U.S. Department of Housing and Urban Development (HUD), and is allocated grant funds on an annual basis to meet the needs of low-to-moderate income individuals through the Community Development Block Grant (CDBG). The CDBG program is the Federal Government's primary program for promoting community revitalization throughout the Country. Under the City's CDBG program application process, eligible entities are invited to submit applications for Community Development Block Grant (CDBG) funding to carry out community development activities for the period of July 1, 2021 through June 30, 2022.

HUD ELIGIBILITY GUIDELINES

Eligible entities:

- Are community-based agencies that serve low and/or moderate-income Milpitas residents
- Possess proof of 501(c)(3) designation from the IRS at the time of application
- Are incorporated with the Secretary of State
- Possess a DUNS number at the time of application

Additionally, the non-profit organization and project must meet one of the three National Objectives, as identified by HUD, by falling under one of the following categories:

Objective 1. Benefit Low and/or Moderate-Income Persons

Categories:

- Area Benefit: an activity that benefits residents in a particular area, where at least 51% of the residents are low/moderate-income persons;
- Client Based/Limited Clientele: an activity that benefits a limited number of people, provided at least 51% of those are low/moderate-income persons (Abused children and adults, elderly, homeless, and persons with disabilities are presumed low/moderate-income);
- Housing Activity: activities undertaken to provide or improve permanent residential structures that will be occupied by low/moderate-income persons
- Job Creation or Retention: an activity designed to create or retain permanent jobs, at least 51% of which will be filled with low/moderate-income people.

Objective 2: Prevention or Elimination of Slums and Blight

Categories:

- Area Based: activities that aid in the prevention or elimination of slums/blight in a designated area. The delineated area must meet a specific definition and there must be a substantial number of blighted buildings in the area;
- Spot Basis: activities which eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area
- Urban Renewal: activities located within an urban renewal project area or Neighborhood Development Program action area

Objective 3: Urgent Need

This objective is rarely used. It is designed for activities that alleviate emergency conditions that pose a serious and immediate threat to the health and welfare of the community, or are of recent origin or recently became urgent. This is most often used for natural disasters.

Applications are initially screened for compliance with the HUD National Objectives outlined above, and for containing an eligible activity.

- Eligible activities include, but are not limited to: employment, youth or senior activities, job creation or retention activities, business and microenterprise assistance.
- Ineligible activities include, but are not limited to: purchase of equipment, operating and maintenance expenses, political activities, lobbying, and income payments.

CITY OF MILPITAS PRIORITY PROGRAMMING

The City of Milpitas prepared and adopted a Five-Year Consolidated Plan (2017-2022) to establish priorities for the use of CDBG grant funds in order to benefit and improve the lives of Milpitas Residents. Organizations whose goals and services align with the priorities of the City will be prioritized for selection and funding.

City priorities vary depending on the project. Please see the table below for information.

Public Service Projects	Capital Projects
<ul style="list-style-type: none">• Residents at Risk of Eviction• Children and Youth• Senior Services• Domestic Violence Prevention and Support• Other Community Funding/Public Services• Fair Housing• Microenterprise and Small Businesses	<ul style="list-style-type: none">• Maintain and Preserve Existing Housing• New Affordable Housing• Affordable Housing Rental Rehabilitation• Public Improvements• HUD Section 108 Loan Guarantee Program

ANTICIPATED FUNDING AVAILABILITY

The federal government makes annual allocations of CDBG funds after the federal budget is approved. The actual amount of funding available under this application will be revised once the City receives an award notification from the US Department of Housing and Urban Development (HUD). Based on prior year funding, it is anticipated that the City of Milpitas will receive **\$600,000** in CDBG entitlement grant funds for the 2021-2022 program year. **The minimum amount of funding the City of Milpitas will issue any one agency is \$5,000.**

Please note the CDBG Grant is a Reimbursement grant. Funds can only be paid for activities that take place after an agreement has been executed between the City and a subrecipient.

APPLYING FOR CDBG FUNDING

- The CDBG application is entirely new. For this reason, it is strongly encouraged that applicants take the time to review it early, so that they can consult with the Housing Department with any questions they may have.
- The CDBG application process begins with the submission of a Simplified Application, which provides an overview of the project for which you are requesting funds. Simplified Applications for Fiscal Year 2021-2022 will be accepted from **February 8, 2021 to March 21, 2021.**
- A separate application is to be completed for each program proposed for funding.
- Every question must be answered, even if only to insert "N/A" or "0". Incomplete applications will be returned to the applicant for completion. Applicants are expected to make any necessary corrections and resubmit in a timely manner.
- Applicants are encouraged to save a digital copy of the application to their computer before emailing the file to the City.

SUBMISSION INSTRUCTIONS

- Complete the Simplified Application and have your organization's Program Director sign and date the form. Once signed, scan and save as pdf.
- Submit the electronic copy of the signed original application to the following email address – housing@ci.milpitas.ca.gov with the subject: CDBG Application – Your Organization’s Name

AFTER YOU SUBMIT YOUR APPLICATION

- After the Simplified Application deadline, Housing Staff will screen all Simplified Applications to ensure eligibility and completion
- City Staff will present submissions to the Community Advisory Commission (CAC)
- City Staff will present submissions to the City Council
- After the City Council approves the Annual Action Plan and decides on the projects they would like to fund for FY 21-22, sub-grantees will submit a full project application, scope of services, and insurance documentation to be reviewed by City Staff.

PERFORMANCE REPORTS AND EVALUATION

If your organization is selected to receive CDBG grant funding, you will be required to submit quarterly reports along with requests for reimbursement in order to receive payment to Housing Staff.

CONTACT INFORMATION

For any questions on the CDBG application or for technical assistance, please contact:

Sara Court, Housing Planner
scourt@ci.milpitas.ca.gov
 (408) 586-3269

CDBG APPLICANT TIMELINE

The application for Fiscal Year 2021-2022 will be opening on **February 8, 2021** and closing on **March 21, 2021**.

PUBLIC HEARING/WORKSHOP SESSIONS

The City of Milpitas's Housing Department will conduct one workshop to assist applicants with the new CDBG application process and to answer any questions they may have. The workshop will be recorded and available to view later for those who are unable to attend.

CDBG Workshop - 2:00 PM Wednesday, February 17, 2021	Location: Zoom (register below) http://bit.ly/CDBG21
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