

Department of Housing & Urban Development
Entitlement Grants



Application
CDBG & ESG Grants
Fiscal Year 2018

Community Development
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Introduction

43rd ANNUAL PUBLIC HEARING *for* Entitlement Grant Activities CDBG & ESG - FISCAL YEAR 2018

The Office of Economic & Community Development (OECD) has prepared the following *Proposal Application* for Entitlement Grant Activities. The purpose of the application requirements is not simply to comply with Federal regulations, but also to improve all subrecipients' performance in delivering services to the Lynn community. This information will allow the OECD to improve the selection process, training, managing, monitoring and support of its Entitlement Grant subrecipients. By initiating a more extensive pre-award assessment of potential subrecipients, OECD may reduce the risk of future major problems and increase the chances of success.

WHO ARE SUBRECIPIENTS?

Subrecipients (sometimes referred to as "subgrantees") are entities that are **provided** Entitlement Grant funds by a grantee **for their use** in carrying out agreed-upon, eligible activities. There are three basic kinds of subrecipients:

Governmental Agencies

Governmental agencies are public agencies, commissions, or authorities that are **independent** of the grantee's government (for example, a public housing authority or a park district). Grantee public agencies undertaking Entitlement Grant assisted activities are subject to the same requirements as are applicable to subrecipients (§570.501(a)).

Private Non-profits

Private non-profits are usually, but not always, corporations, associations, agencies, or faith-based organizations with non-profit status under the Internal Revenue Code (Section 501(c)(3)), usually with a board of directors and an executive director in charge of daily administration. Examples of private non-profits include private social services agencies (such as those providing job training or counseling, or day care providers), community development corporations, faith-based housing development groups, and operators of homeless shelters.

Private For-profits

A limited number of *private, for-profit entities* can qualify as subrecipients when facilitating economic development by assisting microenterprises under the provisions of 24 CFR S70.201(o).

CBDOS

Community Based Development Organizations (CBDOS) authorized under §570.204 to carry out special activities such as economic development or new housing construction are not subrecipients unless so designated by the grantee.

Please mark your calendars with the following important dates:

	DATE
Proposal Application Deadline CD, Lynn City Hall, Room 305	February 10, 2017 Friday at 12:30 pm
Public Hearing Lynn Housing Authority & Neighborhood Development 10 Church Street	March 28, 2017 Tuesday at 6:00 pm
Public Hearing Lynn City Council Chambers	May 9, 2017 Tuesday <i>(tentative)</i>

If you need assistance in completing your proposal, please feel free to contact any of the CD personnel listed below:

Donald Walker	781-586-6778	dwalker@lynnma.gov
Allison Perry	781-586-6763	aperry@lynnma.gov

****Please submit only 1 (one) copy of your completed proposal****

Information from the Department of Housing & Urban Development (HUD)

Entitlement Grants

1. Community Development Block Grant (CDBG)

The CDBG program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; 42 U.S.C.-5301 et seq.

HUD awards grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

Entitlement communities develop their own programs and funding priorities. However, grantees must give maximum feasible priority to activities which benefit low- and moderate-income persons. A grantee may also carry out activities which aid in the prevention or elimination of slums or blight. Additionally, grantees may fund activities when the grantee certifies that the activities meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities which do not meet these broad national objectives.

CDBG funds may be used for activities which include, but are not limited to:

- acquisition of real property;
- relocation and demolition;
- rehabilitation of residential and non-residential structures;
- construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- public services, within certain limits;
- activities relating to energy conservation and renewable energy resources; and
- provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

Generally, the following types of activities are ineligible:

- acquisition, construction, or reconstruction of buildings for the general conduct of government;
- political activities;
- certain income payments; and
- construction of new housing by units of general local government.

2. Emergency Solutions Grant (ESG) Program

The Emergency Solutions Grants program provides funding for street outreach activities for **unsheltered** homeless persons including engagement of clients, case management, emergency health and mental health care, services for special populations and transportation. It also provides funding for **sheltered** homeless persons for case management, child care, educational services, employment assistance/training, outpatient health services, legal services, life skills training, mental health services, services for special populations, substance abuse treatment, and transportation. Additional eligible ESG activities include rehabilitation or remodeling of a building used as a shelter, operations and maintenance of the facility, homelessness prevention, and grant administration.

ESG funds may also be used for homelessness prevention and rapid re-housing activities. These include financial assistance to individuals for rent, rent application fees, security and/or utility deposits, moving costs, and utility payments. Services funded under these categories may include housing search/placement, housing stability case management, mediation and legal aid, and credit repair/budgeting/money management.

Grantees, which are state governments, large cities, urban counties, and U.S. territories, receive ESG grants and make these funds available to eligible recipients, which can be either local government agencies or private nonprofit organizations. The recipient agencies and organizations, which actually run the homeless assistance projects, apply for ESG funds to the governmental grantee, and not directly to HUD. Feel free to view all CPD formula grants, including the ESG grant, or contact your local field office for further assistance.

ESG funds are available Grantees, except for state governments, must match ESG grant funds dollar for dollar with their own locally generated amounts. These local amounts can come from the grantee or recipient agency or organization; other federal, state and local grants; and from "in-kind" contributions such as the value of a donated building, supplies and equipment, new staff services, and volunteer time.

Proposal Guidelines

Note: CD and the Mayor's Office have implemented a temporary policy to not fund capital improvement projects and non residential building renovation activities. Low interest loan funding for these types of activities may be applied for through the Economic Development Industrial Corporation (EDIC), which is located at Lynn City Hall and is open during normal city hall business hours.

Your proposal MUST contain all the information listed below to be considered for funding.

I. PROPOSAL SUMMARY FORM

Complete and return Proposal Summary Form page with Proposal

1. Name of Organization
2. Name of Activity
3. Address
4. Telephone Number & Email Address
5. Contact Person & Title
6. Brief Description of Proposed Activity
7. Performance Measurement (*List percentages of accomplishments within activity*)
8. Percentage of Low/Mod. Income Persons Serviced
9. Type of Funding Requested
10. Funds Previously Requested
11. Amount of Funding Requested
12. Total Additional Funding Sources for Proposed Activity
13. Grand Total Amount of Funding for Proposed Activity

II. PROJECT SUMMARY

Section II must be completed on separate pages

1. Need/Problem to be addressed
 2. Population/Area served
 3. Description of work
 4. Proposed Schedule of Work
- Also include:
- a) Identification of Clients
 - b) Carrying out the Activity
 - c) Coordination with other community agencies
 - d) Description of Site

III. PROJECT BUDGET

Description must be on a separate page. Complete and return Budget Form with Proposal

1. Description of budget summary of activity, including all proposed and confirmed funding sources
2. Line Item Budget Form – Service Projects

IV. SUPPLEMENTAL BUDGET

Section IV must be completed on separate pages.

1. Use of other funds
2. Funding to supplement Entitlement Grant funding
3. Volunteer and donated goods and services
4. Unusual budget expenditures
5. Reasonable program costs

V. AGENCY INFORMATION

Section V must be completed on separate pages.

1. Background/Program Experience
2. Personnel/Staff Capacity
3. Financial Capacity
4. Monitoring
5. Audit Requirements
6. Insurance/Bonding/Worker's Compensation
7. Any other additional information

VI. STANDARD DOCUMENTATIONS

Section VI must be included as attachments.

1. Articles of Incorporation/Bylaws
2. Non-profit Determination
3. List of the Board of Directors
4. Authorization to Request Funds
5. Designation of Authorized Official
6. Organizational Chart
7. Resume of the Chief Program Administrator
8. Resume of the Chief Fiscal Officer
9. Financial Statement and Audit

VII. PROPOSAL RANKING CRITERIA

Provides the ranking criteria that will be used by the Citizens Advisory Board to evaluate proposals.

(It is recommended that the total narrative be limited to no more than five pages)



PROPOSAL APPLICATION

I. PROPOSAL SUMMARY FORM

1. Name of Organization: _____
2. Name of Activity: _____
3. Address: _____ Zip Code: _____
4. Telephone Number: _____ Email Address: _____
5. Contact Person: _____ Title: _____
6. Brief Description of Proposed Activity: _____

7. Performance Measurement: _____

8. Percentage of Low and Moderate-Income Persons Served: _____ %
9. Type of Funding Requested: CDBG ESG
10. Funds Previously Requested:
FY'13 _____ FY'14 _____ FY'15 _____ FY'16 _____ FY'17 _____
11. Amount of Funding Requested: _____ TOTAL: _____
12. Additional Funding Sources for Proposed Activity: _____ TOTAL: _____
13. Total Amount of Funding for Proposed Activity: (Item 11 + 12) **GRAND TOTAL:** _____

SECTION II – PROJECT SUMMARY

Briefly describe the proposed project. The narrative should include the need or problem to be addressed consistent with priorities established in the Consolidated Plan or other community development priorities, as well as the population to be served including estimated numbers of clients & other measurable outputs or the area to benefit. Describe the work to be performed, including the activities to be undertaken or the services to be provided and who will carry it out and how eligibility and National Objective requirements will be met, the goals and objectives, method of approach, and the implementation schedule.

In your project summary, further:

- ▶ Indicate how you will identify clients. Provide an estimate as the number of clients to be served and describe them in terms of age, gender, ethnicity, income level, and other defining characteristics.
- ▶ Be very specific about who will carry out the activities, the location in which they will be carried out, the period over which the activities will be carried out, and the frequency with which the activities will be carried out, and the frequency with which services will be delivered.
- ▶ For service programs, include how you propose to coordinate your services with other community agencies and leverage resources.

SECTION III – PROJECT BUDGET

- ▶ Discuss all funding sources, proposed and confirmed
- ▶ Complete the following line item budget forms, Service Projects or Construction/Acquisition Projects, as appropriate

Line Item Budget Form – Service Projects

Subrecipient

Project Title

Guidance: Please use the following format to present your proposed line item budget. In column A, list the items for which you anticipate the need for Entitlement Grant funds. In Column B, provide the calculation explaining how you arrived at the estimated cost of the line item. In Column C, provide the projected request for Entitlement Grant funds.

A Budget Item	B Calculation	C CDBG Request
PERSONNEL		
Salaried Positions – Job Titles	Provide rate of pay (hourly/salary) and percentage of time spent on project (Full-Time Equivalent) or hours per week	
Salaries Total		
Fringe Benefits		
PERSONNEL TOTAL	Total of Personnel & Fringe Benefits	
OPERATING COSTS	Provide description of how you arrive at total for each line item	
Supplies		
Equipment		
Rent/Lease		
Insurance		
Printing		
Telephone		
Travel		
Other		
TOTAL OPERATING		
CONTRACT SERVICES		
TOTAL CONTRACT SERVICES		
BUDGET TOTAL		

SECTION IV - SUPPLEMENTAL BUDGET

- ▶ Describe your plans to use other funds on this project. In this section only, describe funds that are secured. Provide the source of funds, amounts and how these funds will be used.
- ▶ Describe your plans to seek new funding to supplement Entitlement Grant funding. Describe the sources to which you will apply, the amounts sought and the proposed use of those funds.
- ▶ Describe your use of volunteer and donated goods and services. Estimate the value of these services and describe how you arrive at these amounts.
- ▶ Please provide an explanation for any unusual budget expenditures listed in the line item budget form.
- ▶ Explain why you consider your program costs to be reasonable.

SECTION V – AGENCY INFORMATION

Background/Program Experience

Include the length of time the agency has been in operation, the date of incorporation, the purpose of the agency, and the type of corporation. Describe the type of services provided, the agency's capabilities, the number and characteristics of clients served, and license to operate (if appropriate).

Personnel/Staff Capacity

Briefly describe the agency's existing staff positions and qualifications, its capacity to carry out this activity, and state whether the agency has a personnel policy manual with an affirmative action plan and grievance procedure.

Financial Capacity

Describe the agency's current operating budget, itemizing revenues and expenses. Identify commitments for ongoing funding. Describe the agency's fiscal management, including financial reporting, record keeping, accounting systems, payment procedures, and audit requirements.

Monitoring

Briefly describe how you will monitor progress in implementing the program. Attach copies of all data collection tools that will be used to verify achievement of program goals and objectives. Describe who will be responsible for monitoring progress.

Audit Requirements

In accordance with the Office of Management and Budget Circular A-133, the Federal Government requires that organizations expending \$300,000 or more in Federal financial assistance in a fiscal year must secure an audit. Agencies requesting \$300,000 or more must choose one of the three ways of meeting this requirement and state which method they chose:

- ▶ If your agency already conducts audits of all its funding sources including Entitlement Grant funding, the agency must submit a copy of its most recent audit, and may, at its discretion, include the Entitlement Grant portion of the audit cost in its Entitlement Grant project budget.
- ▶ If your agency already conducts audits of its other funding sources but has neither received nor included Entitlement Grant funding in the past, the scope of the audit would be modified to incorporate Entitlement Grant audit requirements. The associated cost of the augmentation could then be included in the Entitlement Grant project budget, accompanied by the auditor's written cost estimate.
- ▶ If your agency does not have a current audit process in place, your agency will be required to include a 10-percent set aside in the Entitlement Grant project for the provision of an audit.

Insurance/Bonding/Worker's Compensation

State whether or not the agency has liability insurance coverage, in what amount, and with what insuring agency. State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and state laws. State whether or not the agency has fidelity bond coverage for principal staff who handle the agency's accounts, in what amount, and with what insuring agency.

Additional Information

Include any other pertinent information.

SECTION VI – STANDARD DOCUMENTATION

Articles of Incorporation/Bylaws

Articles of incorporation are the documents recognized by the State as formally establishing a private corporation, business or agency.

Non-profit Determination

Non-profit organizations must submit tax-exemption determination letters from the Federal Internal Revenue Service and the State Franchise Tax Board.

List of the Board of Directors

A list of the current board of directors or other governing body of the agency must be submitted. The list must include the name, telephone number, address, occupation or affiliation of each member and must identify the principal officers of the governing body.

Authorization to Request Funds

Documentation must be submitted of the governing body's authorization to submit the funding request. Documentation of this requirement consists of a copy of the minutes of the meeting in which the governing body's resolution, motion or other official action is recorded.

Designation of Authorized Official

Documentation must be submitted of the governing body's action authorizing the representative of the agency to negotiate for and contractually bind the agency. Documentation of this requirement consists of a signed letter from the Chairperson of the governing body providing the name, title, address and telephone number of each authorized individual.

Organizational Chart

An organizational chart must be provided that describes the agency's administrative framework and staff positions, indicates where the proposed project will fit into the organizational structure, and identifies any staff positions of shared responsibility.

Resume of the Chief Program Administrator

Resume of the Chief Fiscal Officer

Financial Statement and Audit

SECTION VII- PROPOSAL RANKING CRITERIA

Each proposal will be evaluated by members of the Citizens Advisory Board using the following proposal ranking criteria:

CRITERIA 1

The extent to which the activity or service benefits low & moderate-income (l/m) persons.

Description

The Department of Housing and Urban Development (HUD) requires that the majority of Community Development Block Grant (CDBG) funds be expended on behalf of low and moderate-income persons. For public service activities this is determined by an agency's submission of family income/size data for all clients. HUD requires that any public service agency that receives CDBG funds must serve no less than 51% low and moderate-income persons. **Any public service agency that serves less than 51% low and moderate-income persons cannot receive CDBG funding.**

CRITERIA 2

The amount of supplemental/leverage funding for the activity or service

Description

HUD encourages the use of CDBG funding to the extent that it can leverage other funding sources (other private/public) for a particular activity. Consideration should be given to agency activities that use CDBG funding to leverage other funds.

CRITERIA 3

Experience in offering proposed activity or service

Description

While the length of time that an agency offers a particular activity to the community does not necessarily guarantee that the service is most effective, it is one indicator that the agency has the experience to offer a quality service to the community.

CRITERIA 4

The overall completeness of the proposal *including an assessment of the agency's presentation.*

Description

The proposals should be evaluated on the extent to which all the required items are complete and understandable. Support documentation should also be reviewed on the same basis. CAB members may want to consider which a particular service represents a duplication of services.



APPENDIX

ATTACHMENT A

PLEASE NOTE: All Public Service recipients of Entitlement Grant funds will have to complete an Income Verification Form for EVERY PARTICIPANT of the program. Please see the attached Income Verification Form below.

Family Income Verification Form

*For Public Service Recipients of
 Community Development Block Grant (CDBG) Funding*

Name of Program _____

Name of Participant _____

Name of Legal Guardian _____

Household Size _____

According to the grid below, which income category do you fall in? *(Please check)*

Extremely Low Low Moderate High

HOUSEHOLD SIZE	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Extremely Low Income	0-\$20,650	0-\$23,600	0-\$26,550	0-\$29,450	0-\$31,850	0-\$34,200	0-\$36,730	0-\$40,890
Low Income	\$20,651-\$34,350	\$23,601-\$39,250	\$26,551-\$44,150	\$29,451-\$49,050	\$31,851-\$53,000	\$34,201-\$56,900	\$36,731-\$60,850	\$40,891-\$64,750
Moderate Income	\$34,351-\$51,150	\$39,251-\$58,450	\$44,151-\$65,750	\$49,051-\$73,050	\$53,001-\$78,900	\$56,901-\$84,750	\$60,851-\$90,600	\$64,751-\$96,450
Non-Low/Mod. Income	\$51,151+	\$58,451+	\$65,751+	\$73,051+	\$78,901+	\$84,751+	\$90,601+	\$96,451+

I certify that the family income information provided is true and accurate to the best of my knowledge and understand that this information may be reviewed by City officials during its administration of federal funds.

 Signature of legal guardian

ATTACHMENT B

PLEASE NOTE: All Public Service recipients of Entitlement Grant funds will have to complete a Data Collection Form for all clients serviced within four specific quarters. Please see the attached Data Collection Form below.

DATA COLLECTION FORM

Program: _____

Contact Person: _____

TOTAL this quarter: _____ **# of Female Heads-of-Households** _____

	Total # Race	Of the total # of each race, how many are Hispanic?	Total # Hispanic
White		→	
Black/African American		→	
Asian		→	
American Indian/Alaskan Native		→	
Native Hawaiian/Other Pacific Islander		→	
American Indian/Alaskan Native & White		→	
Asian & White		→	
Black/ African American & White		→	
Am. Indian/Alaskan Native & Black/African Am.		→	
Other Multi-Racial		→	
Total:		→	

Extremely Low Income	
Low Income	
Mod. Income	
High Income	
Total:	

TOTALS in red should be the same number. Each individual should be counted only ONCE during the year.

HOUSEHOLD SIZE	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Extremely Low Income	0- \$20,650	0- \$23,600	0- \$26,550	0- \$29,450	0- \$31,850	0- \$34,200	0- \$36,730	0- \$40,890
Low Income	\$20,651- \$34,350	\$23,601- \$39,250	\$26,551- \$44,150	\$29,451- \$49,050	\$31,851- \$53,000	\$34,201- \$56,900	\$36,731- \$60,850	\$40,891- \$64,750
Moderate Income	\$34,351- \$51,150	\$39,251- \$58,450	\$44,151- \$65,750	\$49,051- \$73,050	\$53,001- \$78,900	\$56,901- \$84,750	\$60,851- \$90,600	\$64,751- \$96,450
Non-Low/Mod. Income	\$51,151+	\$58,451+	\$65,751+	\$73,051+	\$78,901+	\$84,751+	\$90,601+	\$96,451+