

Economic Development Department

# Partnering with the City: Are You CDBG Ready?

Request for Qualification (RFQ) Virtual Workshop  
October 12, 2023



## Today You Will Learn

- ✓ Mission | Vision | Operating Principals
- ✓ CDBG Basics
- ✓ Grant Application Process
- ✓ Grant Application Prerequisites
- ✓ Eligible Projects
- ✓ Tips and Tricks
- ✓ Next Steps

# A Future For All of Us

## **Vision**

Opportunity in every neighborhood, excellent service for every San Diegan.

## **Mission**

Every day we serve our communities to make San Diego not just a fine city, but a great City.

# Operating Principles



## Customer Service

We value our residents, customers, and employees by designing solutions and services that put people first.



## Empowerment & Engagement

We value a “Culture of Yes” where we empower employees to creatively solve problems and offer solutions.



## Equity & Inclusion

We value equity and inclusion by taking intentional action to create equal access to opportunity and resources.



## Trust & Transparency

We value transparency by using data to make better-informed decisions, answer questions, and build trust with the public.



# Priority Areas of Focus

Create Homes  
For All of Us

Protect &  
Enrich Every  
Neighborhood

Advance  
Mobility &  
Infrastructure

Champion  
Sustainability

Foster  
Regional  
Prosperity

# **Economic Development Department: Mission**

To cultivate economic and community development opportunities that serve businesses, neighborhoods, and residents.



**How does your organization's mission align with the City's goals?**

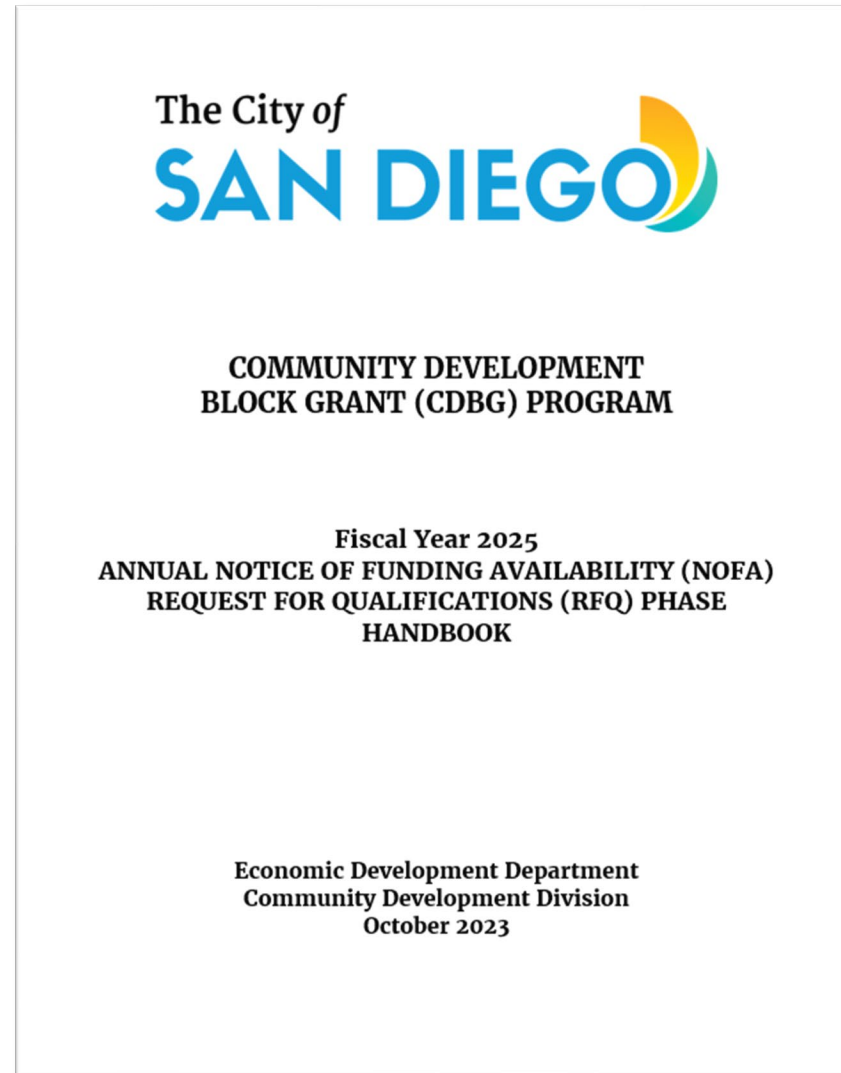


# Prescreening for Capacity





# RFQ Handbook



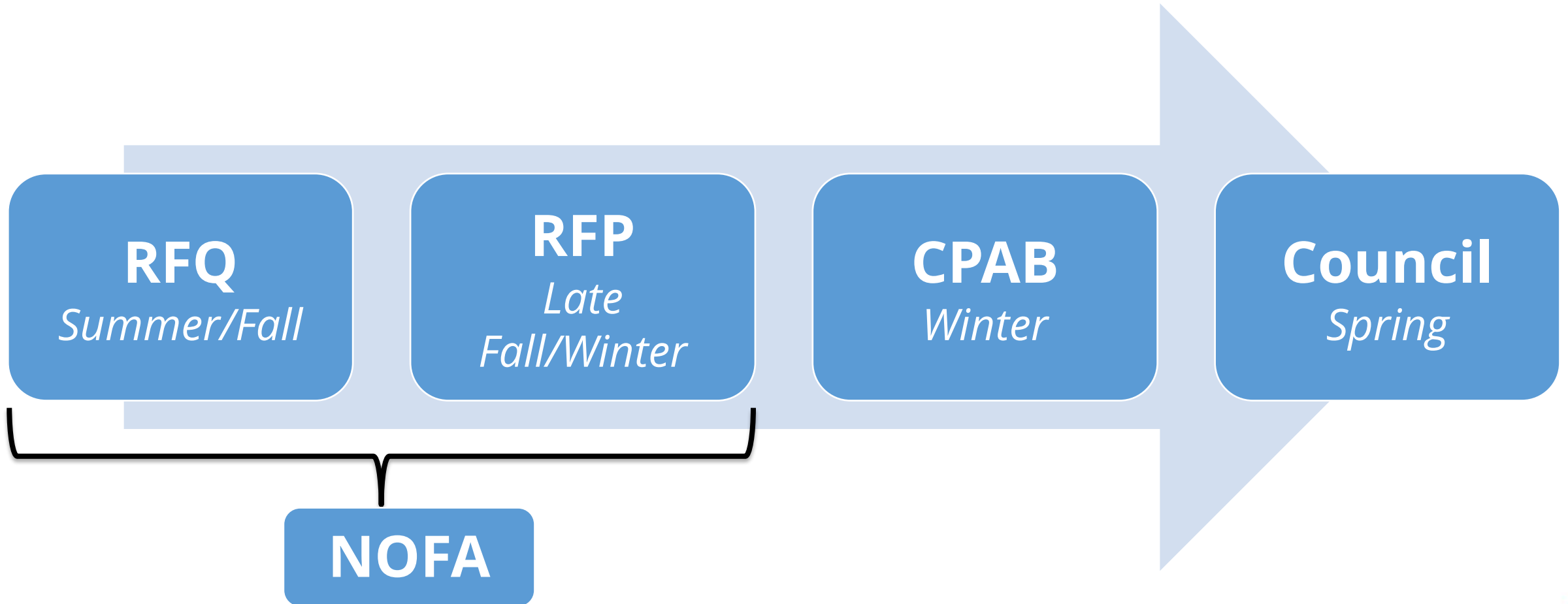
# Community Development Block Grant (CDBG)

## Primary Objective:

Improve living environment,  
expand economic opportunities,  
and provide decent housing for  
low- and moderate-income  
residents and areas.



# Annual NOFA Sequence





# Annual NOFA Timeline

Sept - Nov

- CDBG RFQ released and responses due to City via ED Grants
- Organizations determined “qualified” or “not qualified”
- “Qualified” organizations invited to participate in CDBG RFP process

Nov - Apr

- CDBG RFP released and responses due to City via ED Grants
- Consolidated Plan Advisory Board (CPAB) reviews proposals
- City Council approves CDBG allocations and Annual Action Plan

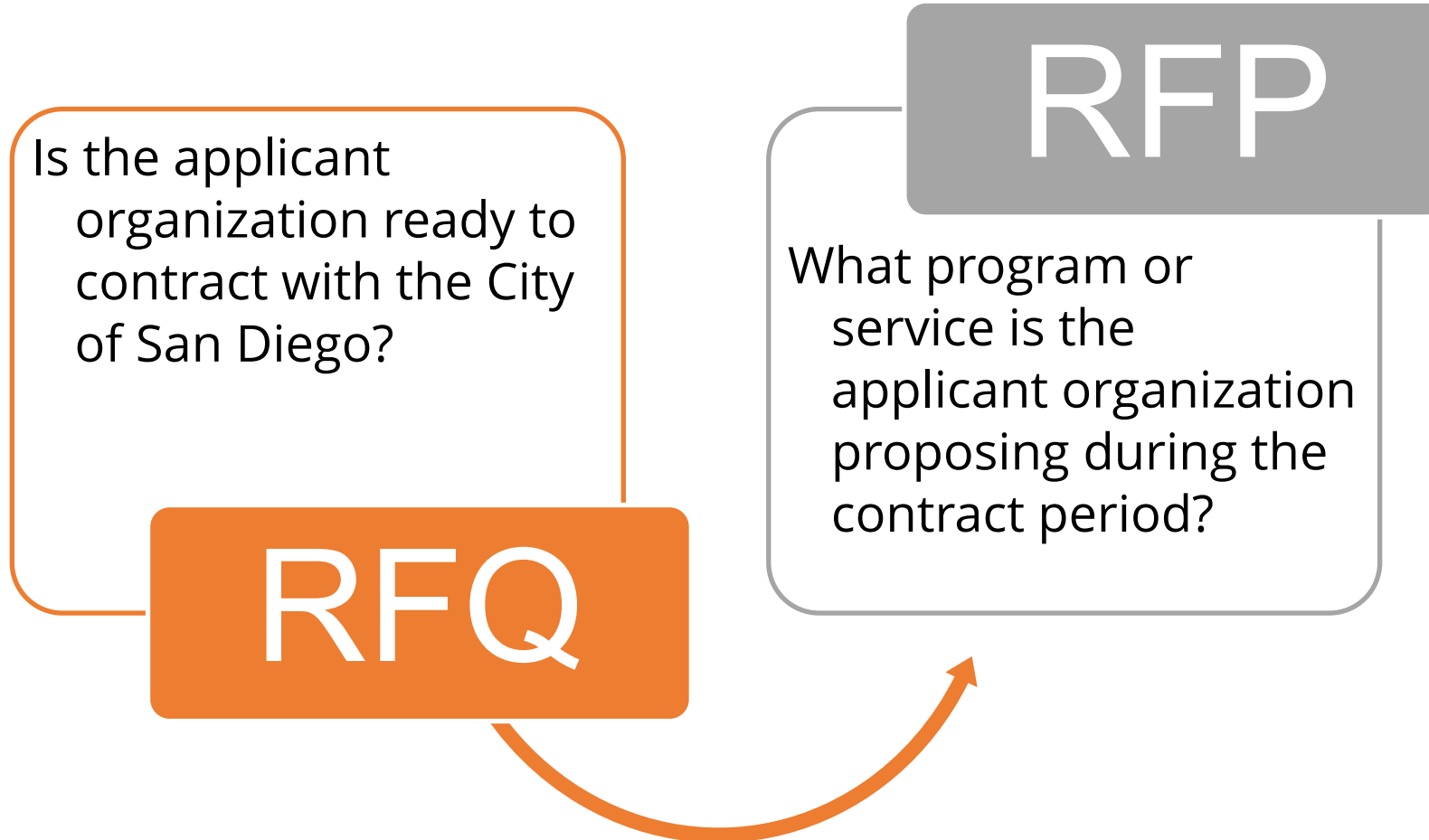
Apr - Jun

- Awarded CDBG projects begin scope development and budget review for agreement execution
- Agreements distributed for execution via ED Grants

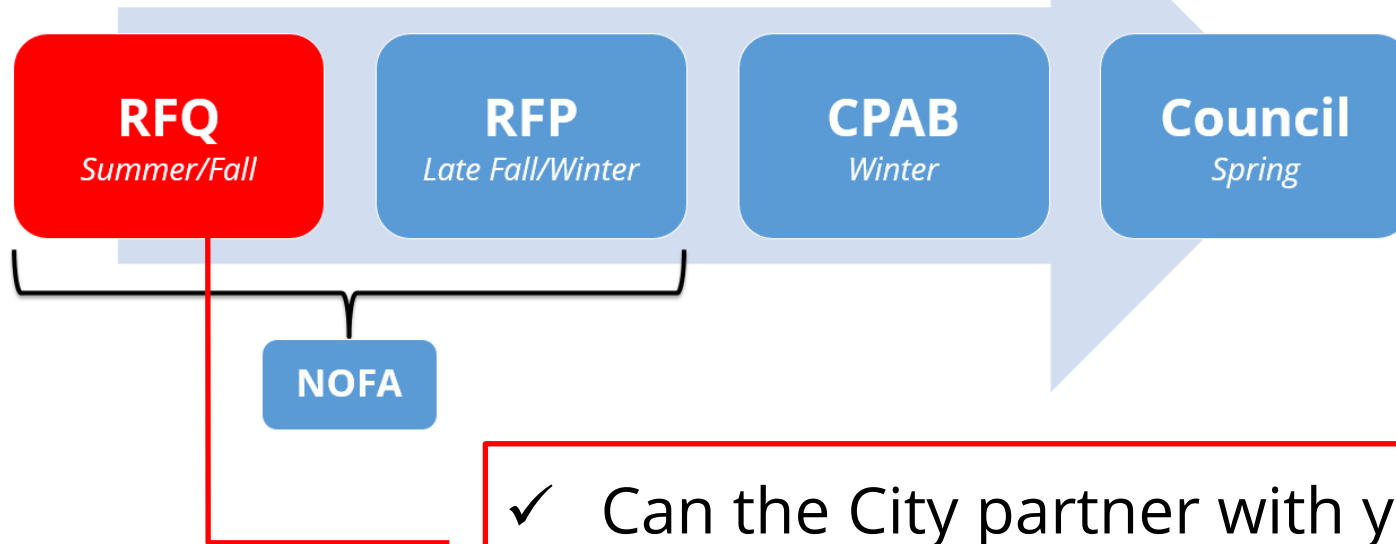
Jul - Sep

- CDBG project implementation begins
- CDBG reporting requirements begin and reports submitted via ED Grants (technical assistance provided to CDBG subrecipients)

## Two-Phase Process: Part 1



# Annual NOFA Sequence: RFQ



- ✓ Can the City partner with your organization?
- ✓ Organizational capacity (programmatic/fiscal)
- ✓ Past experience/track record
- ✓ Controls in place
- ✓ Alignment of goals/objectives

## RFQ: Required General Information

- ✓ Address and contact information
- ✓ Board of Directors
- ✓ General description and locations of programs, projects, and services implemented
- ✓ Communities and clients served
- ✓ Mission statement

# RFQ: Registration and Status Requirements

Articles of Incorporation  
(CA Secretary of State)

EIN Number (IRS)

\*Unique Entity ID  
Number & Registration  
at [www.sam.gov](http://www.sam.gov)

Nonprofit  
Federal Tax  
Determination Letter  
(IRS)

Nonprofit  
State Tax Determination  
Letter (CA FTB)

\*\*Proof of Registration  
with California Attorney  
General's Registry of  
Charitable Trusts

*\*CDBG Grants*

*\*\*501(C)(3) Organizations*





## Registration Status (Details)

Organizations that want to partner with the City are required to register with the following sites, as applicable, and comply with certain status requirements:

- **California Secretary of State:** <https://bizfileonline.sos.ca.gov/>
  - Status Needed: Active
- **California Attorney General's Registry of Charitable Trusts:** <http://rct.doj.ca.gov>
  - Status Needed: Current
- **California Department of Industrial Relations:** <http://www.dir.ca.gov/dlse/debar.html>
  - Organization is not listed as debarred
- **System for Awards Management:** <https://www.sam.gov>
  - Status Needed: Active or No Results
- **Federal Audit Clearinghouse:** <https://harvester.census.gov/facweb>
  - Up-to-date filing of Single Audit or Program-Specific Audit (if applicable)



# RFQ: Internal Controls and Procurement

### Internal Controls

- ✓ No single person should have sole authority over all steps of financial or budget transaction
- ✓ Clearly outline roles and responsibilities
- ✓ If funded, organization will be required to submit its written internal control procedures and, if necessary, update them to conform with federal standards

### Procurement Methods

- ✓ Ensure fair and open competitive process
- ✓ Ensure fair market pricing and comply with all governing regulations
- ✓ Purchases made with federally awarded funds must be made with one of the five (5) procurement methods outlined by HUD regulations (2 CFR Part 200)

# RFQ: Certifications and Additional Documents

## Certifications

- ✓ Lobbying
- ✓ Debarment, suspension, proposed debarment, ineligibility, and other responsibility matters
- ✓ Drug-free workplace
- ✓ Civil Rights Act and ADA compliance
- ✓ Conflict of interest and procurement policy compliance

## Additional Documents (refer to RFQ Handbook for complete list)

- ✓ Organization federal/state tax determination letters (nonprofits)
- ✓ Organization charts
- ✓ [www.sam.gov](http://www.sam.gov) registration and status screenshot (Unique Entity ID)
- ✓ Federal Audit Clearinghouse (FAC) acceptance of single or program-specific audit (if applicable) screenshot

## RFQ: Required Financial Documents

- Board-approved **Audited Financial Statements** for the latest fiscal year that ended





# Audits and Financial Statements

### **Audit Certificate of Compliance Form**

2 CFR Part 200 Subpart F (supersedes OMB Circular A-133)

- **Single or Program-Specific Audit (if applicable)**
  - ✓ Organization expended \$750,000 or more in federal funds
  - ✓ Most recently completed fiscal year with end date of 06/30/2022 or later
  - ✓ Submitted to and accepted by Federal Audit Clearinghouse (FAC)
- **Audited Financial Statements**
  - ✓ Fiscal year with end date of 06/30/2022 or later
  - ✓ Unqualified/unmodified opinion
  - ✓ Cash balance from Balance Sheet will be used to calculate 'Maximum Funding Request Threshold'



# Maximum Funding Request Threshold (MFRT)

**MFRT** amount indicates the maximum amount of CDBG funds your organization can be awarded in FY 2025, whether amount is for one or more projects.

- ✓ Determined by Cash Balance from organization's Audited Financial Statements (multiplied by 4)
- ✓ Limited by overall budget for each RFP project category
- ✓ Applies to all of organization's RFP responses combined
- ✓ MFRT will be included in RFQ notification of results

# Three-Month Cash Reserve Recommendation

- ✓ CDBG works on a **reimbursement** basis
- ✓ Your organization's cash reserve should be sufficient to cover three (3) months of operations to be a successful CDBG subrecipient

**Month 1**

Organization spends funds.

**Month 2**

Organization prepares reports to submit reimbursement request to the City, including supporting documentation.

**Month 3**

City completes review of reimbursement request and processes reimbursement payment to organization.



# Common RFQ Disqualifiers

- ✓ Incorrect Audit Certificate of Compliance response
- ✓ Correct single or program-specific audit, when required, was not submitted or does not meet all requirements
- ✓ Audited financial statements not submitted (if applicable) or do not meet all requirements
- ✓ State of California and/or federal debarment
- ✓ Wrong attachments in ED Grants
- ✓ Unique Entity ID status or not registered with [www.sam.gov](http://www.sam.gov)

***NOTE: ED Grants will check for the organization's 'Maximum Funding Request Threshold' is at least \$50,000 as required by Council Policy 700-02***



## Moving on to the RFP Phase

- ✓ If an applicant organization is deemed “qualified” based on the RFQ response, then it is eligible to submit proposals during the RFP phase.
- ✓ Maximum Funding Request Threshold (MFRT) is confirmed in the RFQ determination notice.



# ED Grants Highlights





## ED Grants

- Economic Development Grants Management System
- Customer relationship management solution:
  - ✓ Administer Annual NOFA process, including all reviews and scoring
  - ✓ Submit RFQ/RFP responses of applicant organizations
  - ✓ Execute agreement with funding subrecipients
  - ✓ Monitor subrecipient performance via reporting
  - ✓ Generate program data and compliance reports



# Partnering with the City

A screenshot of the City of San Diego website. The top left features a large image of the San Diego skyline. To the right is a login section with the City of San Diego logo, fields for Username and Password, a 'Remember Me' checkbox, a 'Forgot Password?' link, and 'Login' and 'Register As' buttons. Below this is a navigation bar with 'Opportunities', 'FAQs', 'Resources', and 'Contact Us'. The 'Opportunities' section is expanded, showing a search bar and a table of NOFA records. The table has columns for NOFA Title, City Department, NOFA Publish Date, RFP/Application Deadline(PT), and RFQ/Pre-Application Deadline. The table is currently empty, displaying 'No records found'.

<https://edgrants.force.com>

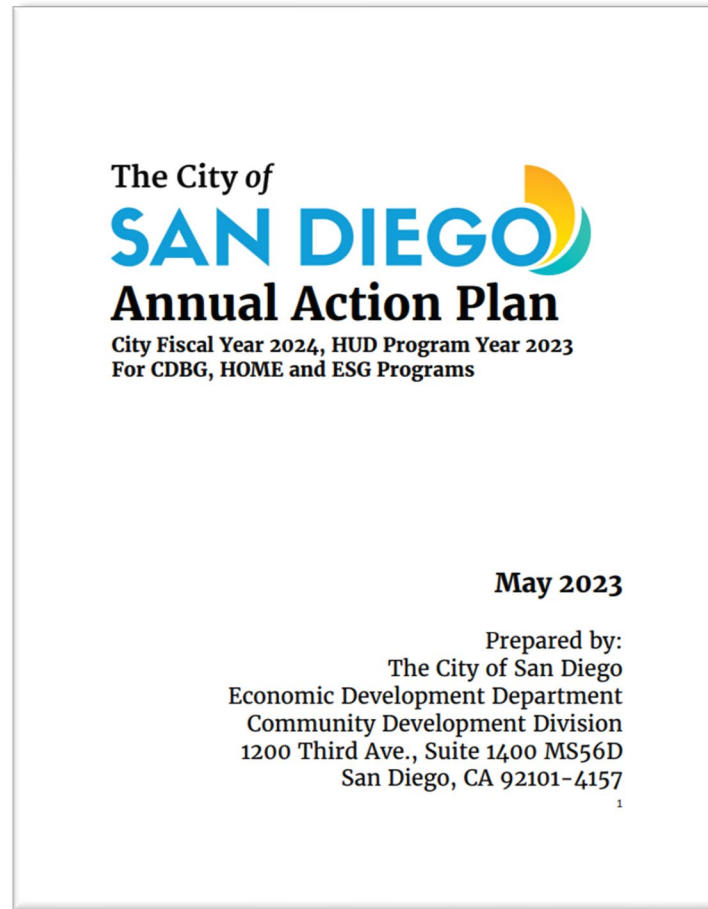
*Resources: How to Register an Organization | | How to Submit an RFQ Response*



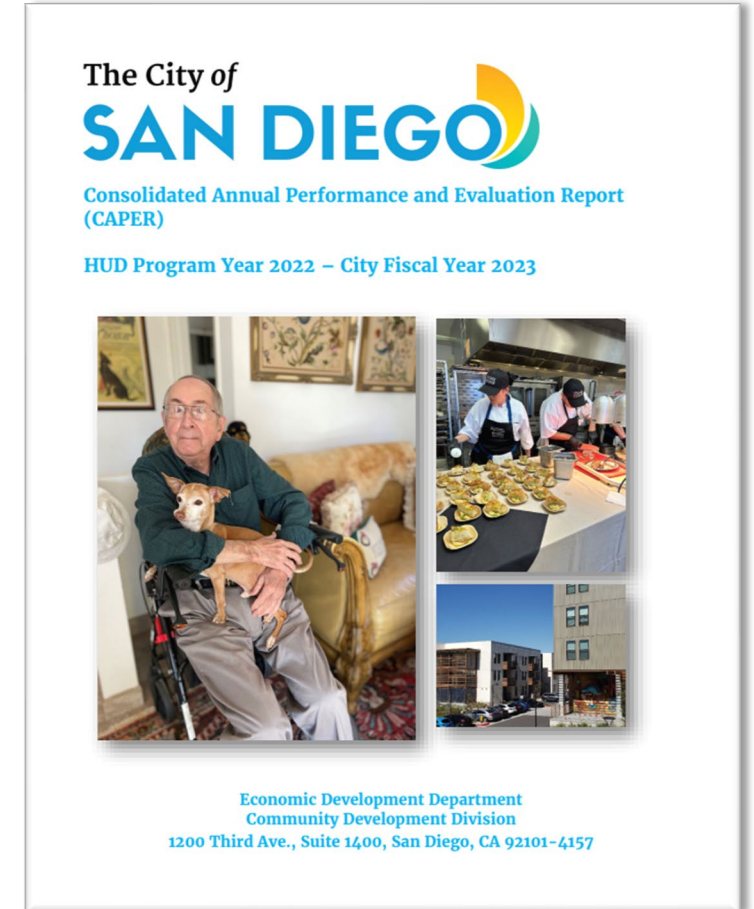
# CDBG: Program Goals and Priorities



**SAY**



**DO**



**SHOW**



# Consolidated Plan Goals

The City's Consolidated Plan informs HUD and the community how the City plans to invest its CDBG funds over the course of five years. Currently, it identifies seven (7) GOALS in which CDBG funds may be invested.

**GOAL 1:** Increase and preserve **affordable rental and homeowner housing** to improve access to **housing** opportunities that reflect community needs, including, but not limited to, opportunities in close proximity to transit, employment, and community services.

**GOAL 2:** Enhance the City's economic stability by investing in inclusive economic growth initiatives that develop and strengthen **small businesses and support local entrepreneurs**.

**GOAL 3:** Foster individual and household resiliency by **investing in employment and workforce development** programs and improving access to job opportunities.



# Consolidated Plan Goals (continued)

**GOAL 4:** Support the development of vibrant, equitable, and adaptable neighborhoods by investing in **public facilities and critical infrastructure**.

**GOAL 5:** **Assist individuals and families to gain stable housing after experiencing homelessness or a housing crisis** by providing appropriate housing and service solutions grounded in best practices.

**GOAL 6:** **Invest in community services that promote equity and serve vulnerable populations** including, but not limited to, refugees and recent immigrants, previously incarcerated, veterans, youth, seniors, and food insecure households.

**GOAL 7:** Finance **impactful nonprofit facility improvements** to provide new or increased access to programs that serve vulnerable populations or implement sustainability measures.

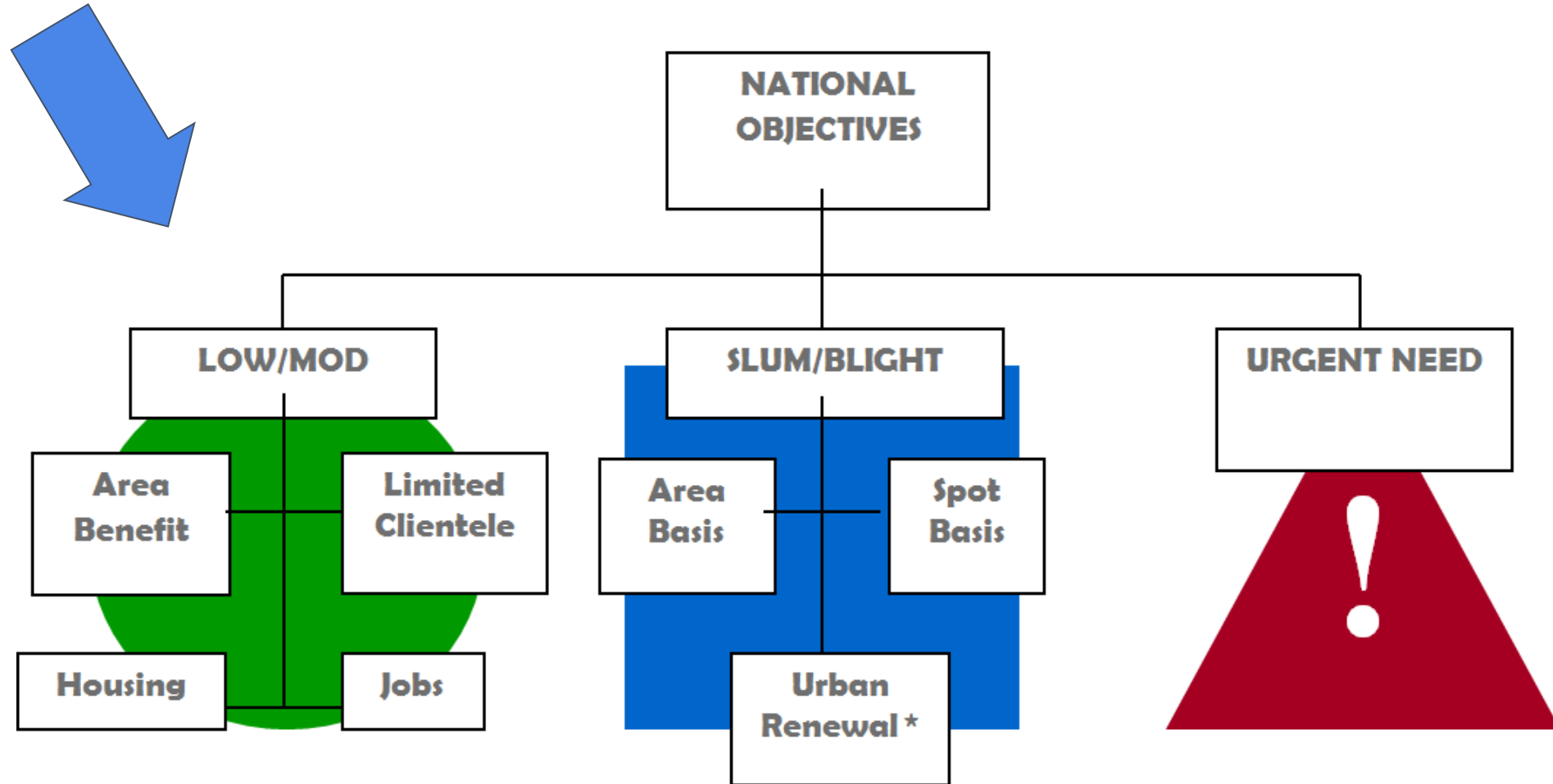
# Consolidated Plan Guiding Strategies

- Inclusive Economic Growth
- Economic Resiliency and Sustainability
- Catalytic Community Investment

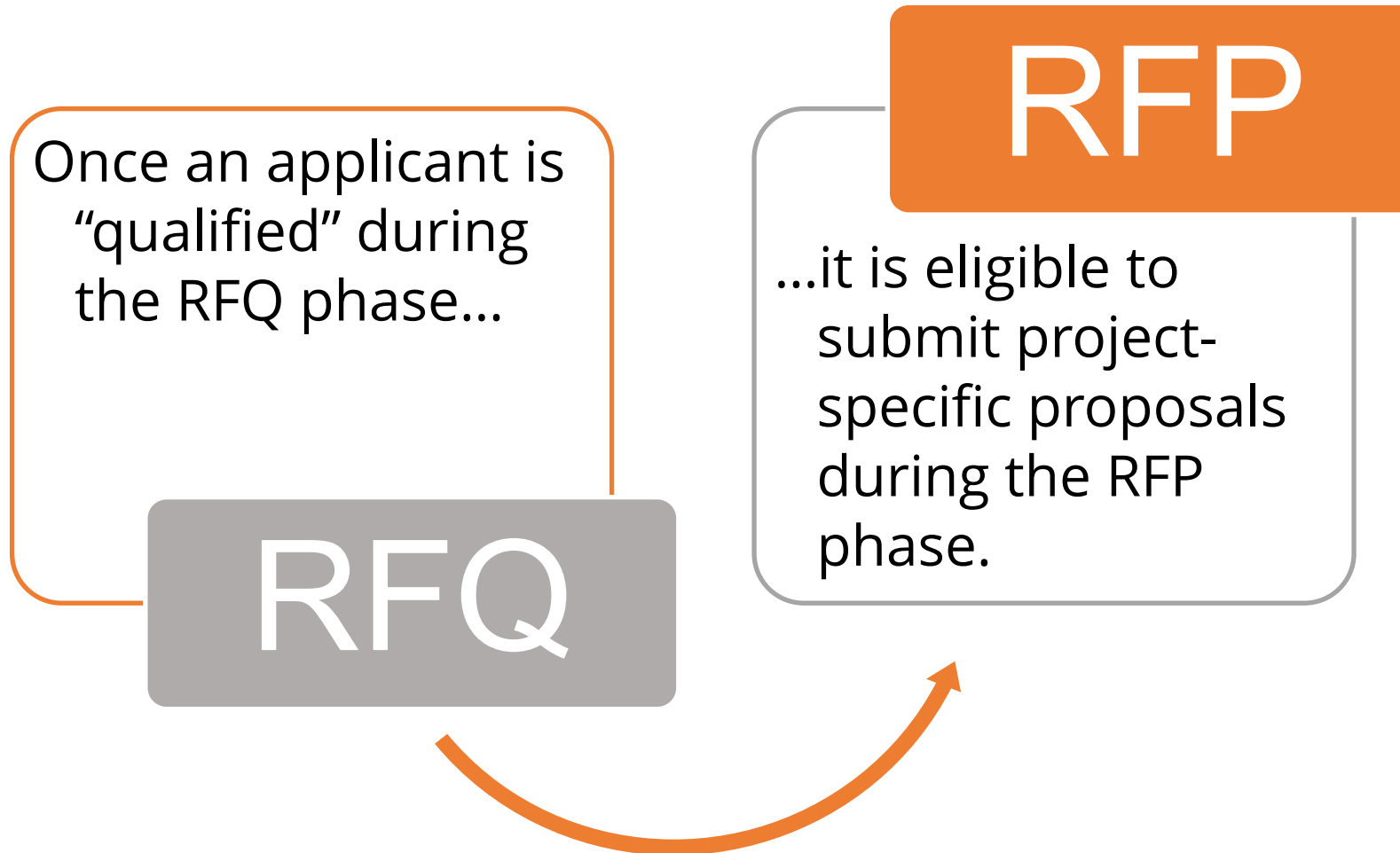




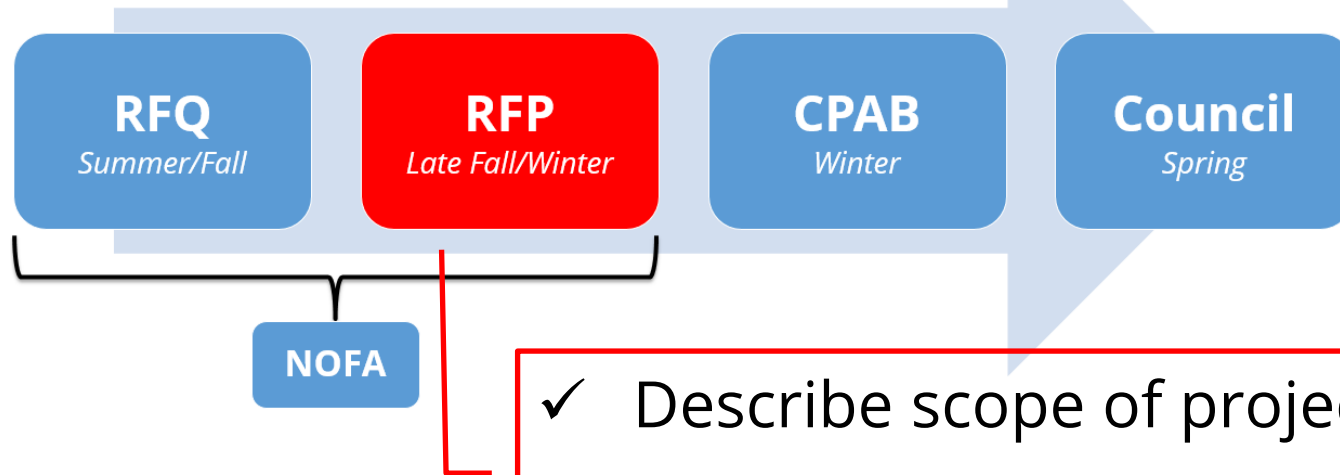
# CDBG: Eligibility



## Two-Phase Process: Part 2



# Annual NOFA Sequence: RFP



- ✓ Describe scope of project & target
- ✓ Outline schedule of project
- ✓ State amount of CDBG funds requested
- ✓ List other funding sources
- ✓ List uses for those funds
- ✓ Provide supporting documents demonstrating readiness

A background image showing numerous US dollar bills of various denominations (including \$1, \$5, \$10, and \$20) falling from the sky against a blue sky with white clouds. The bills are scattered throughout the top and bottom sections of the slide.

# **Previous Funding Opportunities** ***Community Development Block Grants***

## Public Services

**Minimum Allocation** **\$50,000**

**Eligible Activities**

- Employment training
- Senior services\*
- Health Services
- Homeless services
- Disability services\*
- Domestic violence services
- Tenant/landlord counseling
- Substance abuse services
- Mental health services
- Housing counseling
- Food banks/meal distribution
- Youth services

**Outcome Measure** Low/moderate-income clientele

**Requirements** Prequalify clients prior to providing service; document income eligibility and demographic data in case files

*\*Presumed LMI possible*



## Public Services



Above: **Bayside Community Center** Social Services  
Right: **Reality Changers** New and Expanded Programming





## Community/Economic Development

### Minimum Allocation

- **\$50,000** for microenterprise technical assistance

### Eligible Activities

- Microenterprise technical assistance

### Outcome Measures

- Low/moderate-income clientele
- Businesses established or expanded

### Requirements

One-one-one technical assistance must lead to new or expanded microenterprises; prequalify clients prior to providing service; document income eligibility and demographic data

# Community/Economic Development



**Accessity** business client  
Adorn Microblading



# Nonprofit CIP: Public Facilities

**Minimum Allocation** **\$100,000**

**Eligible Activities**

- New construction or rehab of public facilities
  - ADA improvements
  - Health/safety hazards

Examples: Senior and youth centers; homeless facilities; neighborhood facilities; health facilities; childcare centers; handicapped centers

**Outcome Measures**

- Low/moderate-income clientele

**Requirements**

Facilities improved must be documented as serving LMI clients at least 51 percent of the time; complete project within two years

# Nonprofit CIP: Public Facilities



Above: **San Diego LGBT Community Center**  
Sunburst Youth Housing Program

Left: **Neighborhood House** Senior Nutrition Center



# Resources

- [FY 2024 Operating Manual](#)
- [\*Playing by the Rules Handbook by HUD\*](#)
- [CPD Income Eligibility Calculator](#)
- [2 CFR Part 200.302](#) (*Financial Management*)  
[2 CFR Part 200.303](#) (*Internal Controls*)
- [\*New Section 3 Rule 24 CFR Part 75\*](#) (*Public Construction*)
- [HUD Financial Management Curriculum](#)
- [ED Grants "Resources" Tab](#)

[Subscribe to the CDBG Mailing List](#)

# Preview of General Insurance Requirements

## Commercial General Liability

Limits:  
minimum **\$1,000,000**  
per occurrence

Annual Aggregate: minimum  
**\$2,000,000**

## Automobile Liability

(Any Auto or Hired & Non-Owned Autos)

Limits:  
minimum **\$1,000,000** per  
occurrence

Annual Aggregate: minimum  
**\$2,000,000**

## Worker's Compensation

(for paid employees or  
independent contractors)

Limits:  
minimum **\$1,000,000**

**City of San Diego – an Additional Insured**

**Waiver of Subrogation**



## Tips and Tricks

- ✓ Register your organization in ED Grants early and become familiar with how it works
- ✓ Choose one person to be the lead contact for your organization
- ✓ Read the Handbook, FAQs, and Resources before contacting City staff with questions
- ✓ If you *do* have questions, don't hesitate to email us at [CDBG@sandiego.gov](mailto:CDBG@sandiego.gov). We are here to help!





### Tips and Tricks (continued)

- ✓ Take advantage of opportunities for help, such as TA sessions, office hours, etc.
- ✓ Start the process early and allow enough time to review the quality and accuracy of your responses and the required documents before submission
- ✓ Have someone proofread and review your application before submission
- ✓ **ATTENTION:** Only the Primary Representative can submit

# Requesting money from the City is like...



## Next Steps: Timeline

Date	Step
10/9/2023	RFQ Released
10/12/2023	RFQ Virtual Workshop
10/16/23 - 10/27/23	Technical Assistance Appointments Available
11/9/2023	RFQ Response Due in ED Grants
12/4/2023	Organizations Notified of "Qualified" or "Not Qualified" Status
12/15/2023	RFP Released via ED Grants to "Qualified" Organizations Only
1/19/2024	RFP Responses Due in ED Grants
3/1/2024	Notification of Scoring/Ranking: FY 2025 CDBG Grants





Partnering with the City

# City of San Diego Economic Development Department



EMAIL

[cdbg@sandiego.gov](mailto:cdbg@sandiego.gov)



TELEPHONE

619-236-6700



WEBSITE

[www.sandiego.gov/CDBG](http://www.sandiego.gov/CDBG)

## Questions?

## Consolidated Plan Survey

- The Consolidated Plan survey is live now!
- Link: [bit.ly/sdconsolidatedplansurvey](https://bit.ly/sdconsolidatedplansurvey)
- Survey available in English, Spanish, Mandarin (traditional and simplified), Tagalog, Arabic, Dari, Pashto, Korean, Somali, Vietnamese, Russian and Ukrainian.

