

REQUEST FOR PROPOSALS

Community Development Block Grant Program

December 6, 2024

To All Interested Persons:

The City of Santee is requesting proposals for the use of Community Development Block Grant (CDBG) funding during **Program Year 2025** (July 2025 – June 2026). CDBG is a federally funded program administered by the United States Department of Housing and Urban Development (HUD). Monies provided through the CDBG program can be used to fund a variety of public improvements and services that benefit low- and moderate-income residents. During Program Year 2024 the City allocated \$52,660 to providers of public services. It is unknown at this time what level of CDBG funding will be available to the City of Santee in Program Year 2025. Applications for Program Year 2025 CDBG funds will be available December 6, 2024, and may be downloaded from the City's webpage at www.cityofsanteeca.gov. If you have questions about the CDBG program and/or activity eligibility, or want an application packet, please call (619) 258-4100, Ext. 221 or email the CDBG Administrator at bcrane@cityofsanteeca.gov.

A summary of CDBG program requirements is available along with a request for proposals. Please review this information to determine if your project is eligible and complies with the CDBG Program National Objectives.

**PROPOSALS will be accepted until Monday, January 13, 2025, at 5:00 p.m.
Submit proposal and application to:**

**City of Santee
Department of Planning & Building
10601 North Magnolia Avenue, Bldg. 4
Santee, CA 92071**

Or by electronic mail at bcrane@cityofsanteeca.gov

If you have any questions about the CDBG program and/or project eligibility, please email or call Bill Crane, Senior Management Analyst\Grants Coordinator at (619) 258-4100, extension 221 by the **close of business on Tuesday, December 31, 2024**. If you would like to receive a copy of the application by email, or if you have questions, please email bcrane@cityofsanteeca.gov.

ATTACHMENTS

- A** Schedule of Public Hearings
- B** Summary of Community Development Block Grant (CDBG) Program Requirements

Tentative

SCHEDULE OF PUBLIC HEARINGS

**Community Development Block Grant Program
Program Year 2025**

To streamline the Community Development Block Grant (CDBG) process, the Federal Department of Housing and Urban Development (HUD) consolidated the application process and planning requirements for several Federal programs. The current regulations require at least two public hearings to solicit input on community needs and expenditure of CDBG funds.

Applicants are required to attend the first public hearing on February 12, 2025, and are invited to attend the two other scheduled public meetings. The meetings will be held as part of regular Santee City Council meetings in the Council Chamber building at 10601 North Magnolia Avenue, Santee, California. These meeting dates are tentatively scheduled as follows:

Public Hearing by Council to solicit proposals from the public, assess and prioritize community development and housing needs. (Applicants are required to attend)

**Wednesday, February 12, 2025
6:30 P.M.**

Direction by Council on projects to be included in the Draft Annual Action Plan.

**Wednesday, February 26, 2025
6:30 P.M.**

Approval by Council of the Consolidated Plan, Annual Action Plan, and direction to submit application to HUD.

**Wednesday, April 23, 2025
6:30 P.M.**

Please note that the schedule is tentative and that the meetings may be continued on other times and dates. If you are not able to participate in the second (February 26) or third (April 23) meetings, you may also submit comments in writing. Correspondence should be addressed to: City of Santee, Attn: Bill Crane, Department of Planning & Building, 10601 North Magnolia Avenue, Santee, California 92071 or by email to bcrane@cityofsanteeca.gov .

SUMMARY OF CDBG PROGRAM REQUIREMENTS

The Community Development Block Grant (CDBG) Program is administered by the U.S. Department of Housing and Urban Development (HUD). Through this program, the federal government provides monies to cities to undertake certain kinds of community development and housing activities.

NATIONAL OBJECTIVES:

Each activity, except planning and administrative activities, must meet one of the CDBG program's three broad National Objectives:

1. Benefit low- and moderate-income (LMI) persons,
2. Prevention or elimination slums or blight, or
3. Meet community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and no other financial resources are available to meet the need.

CITY OF SANTEE PRIORITIES PER THE FIVE-YEAR CONSOLIDATED PLAN:

As described in the City of Santee Consolidated Plan 2020-2024 (copies available on the City's website (www.cityofsanteeca.gov), activities should address the City's priority needs, including:

1. Improve community infrastructure and facilities to create an accessible and safe community.
2. Provide public services and activities to improve the quality of life for residents, including special needs populations and individuals experiencing homelessness.
3. Support affordable housing opportunities for low-to moderate-income residents. Homeless services.
4. Strengthen local business and the economy through the promotion of job creation and access to training.

BASIC ELIGIBLE ACTIVITIES:

Only certain kinds of activities are eligible for CDBG funding (Code of Federal Regulations § 570.201). These are briefly listed below. However, the regulations contain additional “qualifiers” that may make the activity ineligible:

- (a) Acquisition of property in whole or in part by purchase, long-term lease, donation, or otherwise, of real property for any public purpose, except for the general conduct of government.
- (b) Disposition of real property acquired with CDBG funds through sale, lease, or donation, or otherwise, or its retention for public purposes.
- (c) Acquisition, construction, reconstruction, rehabilitation, or installation of public facilities and improvements, ***except buildings for the general conduct of government.***
- (d) Clearance, demolition and removal of buildings and improvements including movement of structures to other sites and remediation of known or suspected environmental contamination.
- (e) Provision of public services (including labor, supplies and materials) such as those concerned with employment, crime prevention, childcare, health care, education, public safety, fair housing counseling, recreation, services for seniors 62 years or older, homeless persons, drug abuse counseling and treatment, energy conservation counseling and testing, emergency food and housing services.
- (f) Interim assistance to correct objective signs of physical deterioration in areas where immediate action is necessary and where permanent improvements will be carried out as soon as practicable; or to eliminate emergency conditions threatening the public health and safety and requiring immediate resolution.
- (g) Payment of the non-Federal share required in connection with a federal grant-in-aid program undertaken as part of CDBG activities.
- (h) Completion of urban renewal projects funded under Title 1 of the Housing Act of 1949, as amended.
- (i) Relocation payments and assistance to displaced individuals, families, businesses, non-profit organizations, and farm operations.
- (j) Payment to housing owners for losses of rental income incurred in holding units for persons displaced by relocation activities.
- (k) Payment of costs in support of activities eligible for funding under the HOME program.
- (l) Acquisition, construction, reconstruction, rehabilitation or installation of the distribution lines and facilities or privately owned utilities.

- (m) The construction of housing assisted under Section 17 of the U.S. Housing Act of 1937.
- (n) Direct assistance to facilitate and expand low- and moderate-income homeownership by subsidizing mortgage rates and principal amounts, financing the acquisition of housing occupied by low and moderate-income persons, acquiring guarantees of financing obtained from private lenders, providing up to 50 percent of down payment, or paying reasonable closing costs.
- (o) Microenterprise assistance to facilitate economic development. ("Microenterprise" is a business having five or fewer employees, at least one of whom is the owner.)
- (p) Provision of technical assistance to public or non-profit entities to increase their capacity to carry out eligible neighborhood revitalization or economic development activities.
- (q) Provision of assistance to institutions of higher education when the grantee determines that such an institution has demonstrated eligibility to carry out eligible activities.

INELIGIBLE ACTIVITIES:

The general rule is that any activity not listed in the "eligible activities" section is ineligible. The following identifies specific activities that are ineligible (CFR § 570.207) and provides guidance in determining other activities frequently associated with housing and community development.

- (a) The following activities may not be assisted with CDBG funds:
 - Buildings used for the general conduct of government.
 - General government expenses; and
 - Political activities.
- (b) The following activities may not be assisted unless certain criteria are met:
 - Purchase of construction equipment; purchase of furnishings and personal property, unless part of a public service activity or necessary for use by the grantee in the administration of the CDBG program.
 - Repair, operation, and maintenance of public facilities, improvements, and services, except expenses associated with eligible public services, interim assistance, and office space for CDBG program staff.
 - New housing construction, except under the special provisions provided; and
 - Income payments of subsistence nature.

ADDITIONAL INFORMATION:

Please review the following general federal requirements for funding of CDBG activities:

1. Organizations awarded CDBG funds may be required to submit the following documents: Articles of Incorporation/Bylaws, Certificate of Good Standing from the State, State and Federal Tax Exemption Determination Letters, List of Board Members, Authorization to Request Funds, Designation of Authorized Officials, Organizational Chart, Policies and Procedures, Resumes of Program Administrator and Fiscal Officer, Annual Financial Statement and Audit, and documentation of compliance with National Objectives.
2. Organizations using the “benefiting low- and moderate-income (LMI) persons” national objective must collect a beneficiary application form, proof of residence, identification, household income verifications and document demographic information for each applicant.

Note: The following groups are presumed by HUD to be low to moderate income: abused children, elderly persons (62 years or older), battered spouses, homeless persons, adults meeting the Census definition of severely disabled, illiterate adults, persons living with AIDS, and migrant farm workers. If projects serve a presumed group, agencies are NOT required to collect household income verifications but must collect a beneficiary application form, identification, proof of residence and document demographic information for each applicant.

3. Federal regulations require all organizations receiving CDBG funds to have a personnel policy manual with an affirmative action plan and grievance procedures.
4. If awarded CDBG funds, organizations will be required to provide a certificate of insurance with coverage for public liability and property damage in an amount up to \$4,000,000 and maintain adequate automobile liability insurance for employees/volunteers in the scope of work performance.

For additional information about the CDBG program please see the links below:

<https://www.hudexchange.info/programs/cdbg/>

<https://www.hudexchange.info/resource/687/playing-by-the-rules-a-handbook-for-cdbg-subrecipients-on-administrative-systems/>

CITY OF SANTEE

LOW- AND MODERATE-INCOME CENSUS BLOCK GROUP MAP

