



**CITY OF COSTA MESA
2024-2025 COMMUNITY DEVELOPMENT BLOCK GRANT
PUBLIC SERVICE GRANT
APPLICATION GUIDELINES**

The City of Costa Mesa is accepting applications from existing tax-exempt California nonprofit corporations operating within its jurisdiction providing public services that are eligible for grant funding under the federal Community Development Block Grant (CDBG) program. Grant funds are for the time period of July 1, 2024 through June 30, 2025.

Application is due at 2:00pm, Friday, February 9, 2024

Late applications will not be accepted.

Submit application to:

Mikelle Daily, Grant Administrator

mikelle.daily@costamesaca.gov

Costa Mesa City Hall – 2nd Floor

77 Fair Drive, Costa Mesa, CA 92626

To be considered for funding, a complete application and required documents must be submitted by the due date and time in the format requested. **See Section V. of this document for Application Submission Requirements.**

I. Program Description

The primary objective of the CDBG program, administered by the U.S. Department of Housing and Urban Development (HUD), is to develop viable communities by providing decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low- to moderate-income.

The City of Costa Mesa receives an annual CDBG grant from HUD that may be used to fund eligible activities, including public services. HUD regulations limit funding for public service programs to a maximum of fifteen percent (15%) of the City's annual allocation. HUD has not notified the City of its actual 2024-2025 grant; however the City estimates receiving approximately \$1,010,500 and plans to make \$121,575 available on a competitive basis for public services for fiscal year 2024-2025. Funding goals are as follows:

- Maximum grant amount is \$30,000 per agency with a minimum grant amount of \$15,000
- Greater consideration for funding will be given to applicants that can demonstrate no more than 20% of **all** agency resources are expended for agency-wide administration and fundraising activities.
- Bonus points may be awarded to programs that provide Veterans a service preference.

II. Program Requirements
<p>Eligible public service programs must meet one of the three broad national objectives of the CDBG program:</p> <ol style="list-style-type: none"> 1. Provide a benefit to low- and moderate-income persons 2. Aid in the prevention or elimination of slums or blight 3. Meet other community development needs having a particular urgency (i.e., declared disaster)
<p>Public Services Priority Needs categories established by the City Council in the Consolidated Plan include:</p> <ul style="list-style-type: none"> • Seniors/Elderly • Homeless Services • Fair Housing Services • Services for the Disabled • Youth Services • Other Low/Mod Income service needs
<p>Ineligible activities:</p> <ul style="list-style-type: none"> • Funding to carry out the regular responsibilities of a local government • Funding for the use of facilities/equipment for political purposes or to engage in other partisan political activities • Purchase of equipment is generally ineligible • Income payments such as a series of grant-type payments made for items such as food, clothing, program participation fees, and stipends. In general, payments for housing (rent or mortgage) and utilities are ineligible unless assistance is necessary to prevent the loss of housing/services

Eligible Populations to be Served

The provision of public service is a CDBG-eligible activity provided a minimum of seventy percent (70%) of the program’s beneficiaries are low- and moderate-income persons as defined by HUD. Current HUD income limits, adjusted for household size, are as follows:¹²

Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8+ Persons
Annual Income Limit	\$80,400	\$91,850	\$103,350	\$114,800	\$124,000	\$133,200	\$142,400	\$151,550

The clientele groups listed below are presumed to be eligible for CDBG-funded services regardless of income; however, a program must exclusively serve one client group and **documentation of presumed beneficiary status is required:**

- Abused children
- Battered spouses
- Adults with severe disabilities
- Persons with HIV/AIDS
- Homeless persons
- Illiterate adults
- Migrant farm workers
- Seniors/Elderly (age 62+)

¹ Income limits are adjusted annually by HUD and may be increased or decreased prior to the beginning of (and during) the grant period. Income limits provided are for low-income households, which are defined as households with an income of equal to or less than 80% of the Area Median Income (AMI) for Orange County.

² [CDBG Income Limits on the HUD Exchange](#)

III. Grant Requirements

- All programs must comply with local land use and permit/license requirements
- Quarterly Reporting – statistics on your client’s income levels (based on family size, race and ethnicity, and other demographic data must be documented and reported quarterly. This is a HUD requirement.
- Grant funding for eligible expenditures will be provided by the City on a reimbursable basis. Expenditures, reimbursements, and accounting practices are subject to applicable federal regulations including: [24 CFR 570.00 et seq.](#), [2 CFR part 200](#)
- Grant reimbursements are also based on an applicant’s ability to meet performance goals. Failure to meet goals may result in a reduction in grant reimbursement.
- Programs that provide housing assistance are required to comply with the Residential Lead-Based Paint Hazard Reduction Act. Compliance requires inspection of housing units, control/removal of lead-paint hazards, and clearance testing at the applicant’s expense.

IV. Insurance Requirements

Organizations awarded grants will be required to maintain insurance coverage for the term of the grant:

- Commercial General Liability, including coverage for premises-operations, products/completed operations hazard, blanket contractual, broad form property damage, independent contractors, and personal injury with a policy limit of not less than One Million Dollars (\$1,000,000) combined single limits, per occurrence and aggregate.
- Automobile insurance including owned, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000), combined single limits, per occurrence and aggregate.
- Workers’ compensation insurance as required by the State of California. Grant recipients agree to waive, and to obtain endorsements from its workers’ compensation insurer waiving, subrogation rights under its workers’ compensation insurance policy against Costa Mesa and to require each of its subcontractors, if any to do likewise under their workers’ compensation insurance policies.
- Additionally, depending on the nature of proposed services, professional errors and omissions (E&O) and/or abuse and molestation insurance may be required. E & O liability insurance must be a policy with limits of not less than One Million Dollars (\$1,000,000), combined single limits, per occurrence and aggregate. Said E & O liability insurance must be maintained during the life of an agreement and for three years after completion of the grant. Abuse and molestation insurance coverage limits will be determined at the time an application is submitted for funding consideration.

V. Application Submission Requirements:

Submit a completed application and conflict of interest questionnaire with an original or digital signature to the address below. Email the completed application and conflict of interest form to mikelle.daily@costamesaca.gov.

	Application (include all sections 1-10)
	Signed Conflict of Interest Questionnaire

Submit the following supporting documents as PDF files on a USB drive. Remove all passwords. Do not submit hard copies.

	Proposed Program Application or Intake Sheet
	Articles of Incorporation and By-laws
	IRS Tax Exempt Documentation
	Organizational Chart
	Current Board of Directors Roster
	Most Recent Annual Statements and Financial Audit & 990 Tax Filing

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Application Information Contact

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Applications will be rated on the following points system:	
<u>Selection Criteria</u>	
Application Rating Criteria	Maximum Points
Program addresses a community need (Application, Section 3)	20
City of Costa Mesa Consolidated Plan priority need met by the proposed program (Application Guidelines, Section II)	15
Applicant has capacity to implement proposed program and meet project service goals (Application, Section 4)	15
Leveraging of Costa Mesa CDBG funds (Application, Section 5)	10
No more than 20% of all agency resources are expended for agency-wide administration and fundraising activities	10
Cost effectiveness of the proposed program (Application Sections 5, 6, 7)	15
Agency based in the City of Costa Mesa	5
Effectiveness of Presentation	5
Bonus Points (Veteran's Preference)	5
TOTAL Points	100

<p><u>Funding Recommendation Process</u></p> <p>The City's Housing and Public Service Grant Committee will evaluate and rate eligible applications based on the Application Rating Criteria. The Committee's funding recommendations will be presented to the City Council for consideration. Presentations of eligible applicants are tentatively scheduled for March 7, 2024. Presentations will be scheduled during evening hours (between 6 PM and 9 PM). It is important that each agency be represented by an individual(s) with sufficient knowledge of the program services and overall agency administration. The ability to reply to specific questions may impact scoring. Applicants will be notified of meetings and presentation formats.</p>
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