

CITY OF BURLINGTON, VERMONT
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

I. General Information

The City of Burlington is allocated a certain amount of money each year by the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) Program. The CDBG Program is a principal revenue source for local communities to address the roots and consequences of poverty. The City solicits proposals for funding from community- and faith-based organizations, non-profits, City Departments, and citizens. Please review all of the information in this Application Packet so that you understand the process and the requirements for CDBG funding.

Project proposals for 2013 must be submitted on or before Monday, January 14, 2013, at 4:00 p.m. Project proposals submitted after that time **will not** be considered for funding. A complete application consists of an application form (using the appropriate "Application Form" included in this packet), 501(c)(3) status if applicable, list of Board of Directors if applicable, and Conflict of Interest statement. Please remember to **sign** the **Certification** on the Application Cover Page.

Please submit **seventeen (17) double-sided, stapled, 3-hole punched completed copies of the Application and one electronic PDF version of the Application.**

Please submit **only one (1) copy of each of the attachments:** 501(c)(3) status if applicable, list of Board of Directors if applicable, and Conflict of Interest statement.

Do not submit any information other than what has been requested, do *not* exceed the application **page limit of eight (8)** pages (excepting the Application Cover Page), and do *not* submit attachments other than what has been previously mentioned. Additional information may be requested of you at a later date.

Application and copies should be mailed *or* hand-delivered to:
Marcy Krumbine / CDBG 2013
Community & Economic Development Office
149 Church Street, Room 32, City Hall
Burlington, VT 05401

The electronic version of the Application Form should be sent to mkrumbine@burlingtonvt.gov.

Applications are reviewed for eligibility by the Community & Economic Development Office (CEDO). Eligible applications are then reviewed by the Citizen Advisory Board, which makes funding recommendations to the Mayor and the City Council. A public hearing is held on those recommendations as the final step of the allocation process.

II. Timeline

Application Deadline	January 14, 2013 at 4 p.m.
CEDO reviews applications for eligibility	January 15 - 25
Advisory Board meets and makes Recommendations	January - Early-April
Advisory Board requests for additional information (if any) e-mailed/faxed:	
• All Applications	February 20-22, 2013
Deadline for responses to requests for additional information:	
• All Applications	March 6, 2013 at 12 noon
Notice of funding recommendations goes out	April 8, 2013
Mayoral review and recommendation	Mid-April
City Council Public Hearing	April 15, 2013 (tentative)

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III. Funding Availability

Last year, the Department of Housing and Urban Development (HUD) appropriated \$626,689 of Community Development Block Grant funds to the City. The appropriation for the next program year has not yet been announced. The number of applications funded, and the amounts, may be restricted depending on the city's allocation and the available administrative funding. Funding for projects receiving awards is expected to become available on July 1, 2013.

Of the total amount appropriated to the City, the maximum allowable (in the past, 20%) will be used for Administration. Public Service Projects are limited by Federal regulations to 15% of the total appropriation. The remaining funding is expected to be used for Development Projects.

A. Public Service Projects

Public Service Projects are restricted to 15% of the total CDBG allocation. To avoid the submission of unrealistic grant requests, *a minimum level of funding has been established at \$5,000 and a maximum level of \$12,000 is suggested for each Public Service request.* All Public Service Projects must be completed by June 30, 2014.

B. Development Projects

Development grants can be used for public facilities and improvements, economic development initiatives, and affordable housing initiatives. A minimum level of funding of \$5,000 applies to development projects as well.

IV. General Funding Policies

Burlington's goal through the CDBG Program is to reduce the number of residents living in poverty. Toward this end, the City funds projects that (1) address a priority need identified by the residents of Burlington in the City's 2008 Consolidated Plan (<http://www.burlingtonvt.gov/CEDO/CDBG/Consolidated-Plan-for-Housing---Community-Development/>) and (2) are consistent with the City's resource allocation policy. The resource allocation policy (set forth in the Consolidated Plan and available at <http://www.burlingtonvt.gov/uploadedFiles/BurlingtonVTgov/Departments/CEDO/CDBG/ConsolidatedPlan/Chapter%20Three,%20Section%20X.pdf>) is designed as a tool to guide the allocation of limited resources in a way that most effectively addresses the needs of Burlington residents living in poverty.

Each application for CDBG funding must comply with the Federal requirements described in Section VI below. In addition, each application must satisfy one of the three following overriding goals:

- ❖ The project must help people move out of poverty, or
- ❖ The project must prevent people from entering poverty, or
- ❖ The project must address the basic needs of people living in poverty.

After looking for compliance with one of these three objectives, the Citizen Advisory Board is asked to score each CDBG application based on the evaluation criteria listed in the following section.

For more information about the City of Burlington's anti-poverty strategy, visit <http://www.burlingtonvt.gov/uploadedFiles/BurlingtonVTgov/Departments/CEDO/CDBG/ConsolidatedPlan/Chapter%20Three,%20Section%20V.pdf>.

V. Evaluation Criteria

Proposals for the FY2013 CDBG program will be evaluated, scored and ranked based on the following criteria and point system.

The Citizen Advisory Board will utilize evaluation forms with a set of specific criteria to evaluate all requests for competitive grant funding. The evaluation form includes the categories as listed below. All applications for grant funding will be scored and ranked based upon the following criteria:

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CRITERIA	MAXIMUM POINTS
Demonstrated Need	15
Proposed Outcomes	20
Experience/Organizational Capacity	20
Proposed Low & Moderate Income Beneficiaries/Diversity	20
Budget/Financial Feasibility	20
Community Support/Participation	7
Readiness to Implement	8
Impact/Evaluation	10
Sustainability	10
TOTAL	130

1. Demonstrated Need: (Maximum Combined Points: "15")

The category will be evaluated in terms of the documentation and justification of the need for the activity.

Narrative/Need – 10 points

- Has articulated a rationale for the project related to the project's purpose(s). The applicant should explain how the project will address the stated national objectives.
- Has determined the demand for the project. This should include local data to demonstrate the need.

Innovation – 5 Points

- Additional points will be given to *only* projects that are new or expanded.

2. Proposed Outcomes: (Maximum Points: "20")

The category will be evaluated in terms of the goals, objectives and activities planned to complete the activity, the numbers served versus the cost and the sustainability of the activity.

- Project Goals and Objectives respond to identified problems, needs, and community demand as determined by the applicant.
- Project Goals, Objectives and Activities should be achievable, measurable, time-limited, and clearly stated.
- Project Goals, Objectives and Activities evidence the project's value and facilitate the applicant's organizational goals and objectives.
- Project Goals, Objectives and Outcomes will contribute to the City's anti-poverty strategy.

3. Experience/Organizational Capacity: (Maximum Points: "20")

- The category will be evaluated on the basis of the organization's administrative and programmatic capacity to effectively carry out the project.
- Demonstrates capability, experience, and knowledge (i.e. managerial and technical) to implement the project.
- Proposed project matches mission of organization.
- Identifies and describes contributions of key project personnel, including the specific respective roles, time commitment, contributions, and services provided.
- Demonstrates success from past performance with grant funding.

4. Proposed Low & Moderate Income Beneficiaries/Commitment to Diversity (Maximum Points: "20")

The category will be evaluated on the basis of creating opportunities for disadvantaged groups of people.

- Demonstrates a clear plan to reach a target low/moderate income population
- Will serve between 51-75% low/moderate population
- Will serve between 76-100% low/moderate population
- Demonstrates programs are accessible, inclusive and culturally appropriate
- Demonstrates organizational and cultural competency of organization/board

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5. Budget/Financial Feasibility: (Maximum Points: "20")

The category will be evaluated by the applicant's ability to demonstrate their plans to deliver a financially sound project, utilize funds and manage them appropriately, and leverage sources of funds.

- Costs of implementing the work plan are congruent with the proposed budget.
- Budget reflects an understanding of the required costs to implement and maintain the project.
- Need for equipment, supplies, contractual services, and other budget items are well justified in terms of the project goal(s), objectives, and proposed activities.
- Documents a reasonable percentage of CDBG funding versus total project cost.
- Documents a reasonable cost per beneficiary.
- Documents ability to secure/leverage other sources of funding.
- Demonstrates use of community resources.
- Demonstrates the financial ability to fund the project until reimbursement.
- Demonstrates a response to times of diminished resources.
- Does not have a more appropriate source of funding.

6. Community Support/Participation: (Maximum Points: "7")

- Demonstrates cooperation/collaboration/support between agencies to maximize benefits.
- Involves community participation in the design, implementation or evaluation of the project.

7. Readiness to Implement: (Maximum Points: "8")

The category will be evaluated on the basis of the ability to commence the project and expend funds within the program year.

- Demonstrates the ability to start and complete the project within program year.
- Has available resources needed to implement proposed activity.
- Understands any obstacles that may hinder the project.

8. Impact and Evaluation: (Maximum Points: "10")

The category will be evaluated on the applicant's ability to collect data to measure the outcomes of the activities and the project as a whole.

- Provides a clear plan to measure outcomes.
- Demonstrates plan and capacity to collect data.
- Explains clearly how beneficiaries benefit from the program.

9. Sustainability: (Maximum Points: "10")

- Demonstrates a community value to the City of Burlington.
- Provides long-term support for the project.
- Demonstrates ability to continue project beyond this round of CDBG funding.
- Is sustainable over time and/or will have sustainable results.

VI. Eligibility Requirements

Applications for CDBG funding must meet the requirements of **both** Section A (relating to national objectives) **and** Section B (relating to eligible activities) below. These are Federal requirements prescribed by the Housing and Community Development Act of 1974, as amended, and by the implementing Federal regulations at 24 CFR Part 570.

A. Threshold Criteria – National Objectives

In order for a project to be funded with CDBG funds, it must meet one of the following three national objectives:

1. Benefits low and moderate income persons as per the guidelines established by the U.S. Department of Housing and Urban Development. Locally, the primary use of CDBG funds is for services and programs for low and moderate income persons. In order to be eligible, the project must either serve an **eligible geographic area** (view map at: http://www.burlingtonvt.gov/uploadedFiles/BurlingtonVTgov/Departments/CEDO/CDBG/Consolidated_Plan/Appendix%20B.pdf) or it must benefit low and moderate income persons directly (through serving a targeted population). A **direct benefit to low and moderate income persons** may come through services, housing, or jobs.

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If your project falls in the direct benefit category, then at least 51% of the people served by your project/program must be low and moderate income Burlington residents. **You must keep records** (i.e., intake form, application, etc.) **to verify the income by household size and the residence of those served by your project/program.** Certain groups of people are presumed by HUD to be principally low/moderate income persons. Those groups include: abused children; elderly persons; battered spouses; homeless persons, adults meeting Bureau of Census' definition of severely disabled persons; illiterate adults; persons living with AIDS; and migrant farm workers. If your project/program *exclusively* serves one of these groups, you may document the limited nature of your clientele without documenting actual client income. You can use participation in other programs (i.e., JTPA, National School Lunch Program) as a "proxy" for CDBG income-eligibility *if* the income guidelines for that are at least as restrictive as CDBG guidelines.

"Moderate income" means a household whose income does not exceed 80% of the median family income for the area. The 2012 low and moderate income dollar guidelines are available at <http://www.burlingtonvt.gov/CEDO/CDBG/2012-HUD-Income-Limits/>. The 2013 low and moderate income dollar guidelines will be published in or around February 2013. Please call the CEDO office to obtain those guidelines or visit the website.

2. Aids in the prevention or elimination of slums and blight.
3. Meets other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and where other financial resources are not available to meet such needs.

If you are considering a project under either the "elimination of slums and blight" or the "immediate threat to health and safety" objective, please contact CEDO **prior** to completing your application.

B. Eligible Activities

This section describes many of the activities which can be assisted with CDBG funds under the Federal regulations. There are a limited number of additional miscellaneous activities which may be eligible for funding. If you have a question about the eligibility of an activity for which you want to seek funding, please contact CEDO (Marcy Krumbine, mkrumbine@burlingtonvt.gov).

Eligible activities include:

1. Purchase, sale, lease or other disposition of real property.
2. Clearance, demolition and removal of buildings.
3. Rehabilitation of publicly or privately-owned residential property; commercial/industrial property (but if privately-owned, only for exterior improvements and correction of code violations); and nonresidential buildings and improvements owned by a nonprofit. Funding can be used for:
 - a. Labor, materials and other costs relating to rehabilitation.
 - b. Grants, loans, loan guarantees and other forms of assistance for financing rehabilitation.
 - c. Loans for refinancing indebtedness.
 - d. Improvements to increase the energy efficiency of buildings and/or the efficient use of water.
 - e. Installing sprinkler systems, smoke detectors, deadbolt lock and other security devices.
 - f. Connecting residential structures to water or sewer collection lines.
 - g. Initial homeowner warranty premiums and hazard or flood insurance.
 - h. Lead-based paint hazard evaluation and reduction.

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- i. Rehabilitation services (counseling, energy auditing, preparation of work specifications, loan processing, inspections, etc.).
- j. Historic preservation.
- k. Converting a closed building from one use to another.
- l. Removal of architectural barriers to accommodate people with disabilities.

Funding cannot be used for costs of equipment, furnishings or other personal property, or for the labor costs for homeowners to rehabilitate their own property.

- 4. Relocation assistance to businesses, individuals, families, and non-profit organizations displaced by CDBG activities, and loss of rental income incurred in connection with the temporary relocation of displaced individuals and families.
- 5. Code enforcement.
- 6. Homeownership assistance.
- 7. Interim assistance either to alleviate an emergency condition or to cover limited, immediately needed improvements to a deteriorating area as a prelude to permanent improvements. These limited improvements can include special neighborhood cleanup campaigns.
- 8. Purchase, construction, reconstruction, rehabilitation or installation of public facilities and improvements. Public facilities include schools, libraries, and special needs shelter facilities (nursing homes, hospitals, domestic violence shelters, homeless shelters, halfway houses, group homes, emergency shelters). Public improvements include streets, sidewalks, curbs, parks, playgrounds, water and sewer lines, parking lots, and aesthetic amenities on public property (trees, sculptures, etc.).
 - a. A "public facility" may be owned and operated by a non-profit (i.e., senior centers, neighborhood centers) as long as it is open to the general public.
 - b. Buildings used primarily for the general conduct of government are ineligible.
 - c. Flood and drainage facilities and parks established as a result of reclamation of land near a river are ineligible unless certain requirements are met.
 - d. CDBG funds cannot be used to operate or maintain public facilities/improvements.
 - e. CDBG funds cannot be used to buy construction equipment, to buy furnishings or other personal items, or for new construction of public housing.
- 9. Public services, including but not limited to child care, health care, job training, recreation programs, education programs, public safety services, services for seniors, services for the homeless, substance abuse treatment, fair housing counseling, and energy conservation.
 - a. Grants for public services may not exceed 15% of the City's total annual CDBG appropriation.
 - b. CDBG funds cannot be substituted for recent City or State funds supporting public services. The service must be a new service or a "quantifiable increase in the level of service" above that provided by or on behalf of the City through City or State funds since May 2011.
 - c. Ongoing grants or non-emergency payments to individuals for food, clothing, rent, utilities or other income payments are **not** eligible activities.
- 10. Special economic development activities, including:
 - a. Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and improvements.

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- b. Grants, loans, loan guarantees, interest supplements, and technical assistance to private, for-profit businesses.
 - c. Economic development services including outreach efforts to market available forms of assistance; screening of applicants; reviewing and underwriting applications for assistance; preparation of necessary agreements; management of assisted activities; and screening, training, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities.
11. Microenterprise assistance in the form of loans, grants, technical assistance and general business support services.
12. Grants or loans to any qualified Community-Based Development Organization (CBDO) to carry out a neighborhood revitalization, community economic development, or energy conservation project. For a description of eligible CBDO's and activities, please contact CEDO.

C. Ineligible Activities

The general rule is that any activity which is not specifically authorized above is ineligible for CDBG funding. There are also some activities which are specifically identified in the Federal regulations as categorically ineligible. These activities cannot be assisted with CDBG funds under any circumstances:

- 1. Buildings or portions thereof, used predominantly for the general conduct of government, including city halls, jails, police stations, courthouses, and other state and local government buildings. (This does not include removal of architectural barriers or land acquisition costs).
- 2. General government expenses.
- 3. Political activities.
- 4. The following activities are generally ineligible unless authorized as a Special Economic Development Activity or when carried out by a Community-Based Development Organization:
 - a. Purchase of equipment.
 - b. Operating or maintaining public facilities (streets, parks, playgrounds, water and sewer facilities, parking, neighborhood centers, and similar public facilities).
 - c. New housing construction (with certain exceptions).
 - d. Income payments.

VII. Additional Considerations

CDBG funding is on a reimbursement basis only. Your agency must pay for goods or services prior to requesting CDBG funds from CEDO.

You cannot request reimbursement for expenses incurred prior to July 1, 2013.

Your accounting records must adequately identify the use of CDBG funds. Generally, this means you must separately account for CDBG funds in your financial recordkeeping. For example, if you use CDBG funds to pay for part of your rent, or part of a staff member's salary, you should have a separate expense code, as well as a separate revenue code, specifically for CDBG. If a staff member spends time on both CDBG-funded and non-CDBG-funded activities, that staff person must have time sheets showing the time spent on those various activities.

If your project involves physical alterations or construction, it will require an environmental review before you can begin incurring costs to be reimbursed with CDBG funds. It may also be subject to Davis-Bacon wage and/or other special labor-related requirements. You must consult with CEDO on these requirements **before** the project begins.

Instructions for Filling out CDBG Application Form

Cover Page – General Information

- Project Name/Location/Address/Contact, etc. – self explanatory
 - EIN # and DUNS # - please provide
 - CDBG Funding Request: Enter the amount of money you are requesting from CDBG.
1. **Type of Organization** – check one or possibly two
 - 501(c)(3) organizations must provide proof of status
 - Faith-based organizations will be required to sign an Acknowledgement of Religious Organization Requirements if selected
 2. **Conflict of Interest** form must be completed and signed.
 3. **List of current Board of Directors**, as applicable, must be provided.
 4. **Certification** must be signed.

Application (limited to 8 pages)

I. Demonstrated Need:

1. **Project Narrative** – Should address the following and use local data:
 - The community needs the program will meet;
 - Describe specifically what the program is;
 - How the program will operate;
 - How it will address identified needs; and
 - Who will benefit from the program
2. **Innovation – NEW** this year will be additional points given to new, innovative projects or ones that are offering expanded services.

II. Proposed Outcomes:

1. **Anti-Poverty Strategy** - Self-explanatory.
2. **List Goals/Objectives and Expected Outcomes** - *Only list the CDBG-funded services to be offered. You may want to create a table or a list. A goal/objective should be tied to CDBG objectives. Activities would be what your organization proposes to do, and outcomes would include the specific changes to a number of people served (as an example).*

Goal/Objective	Activity Funded	Outcomes
Suitable living environment for the very low income	Case Management for homeless - 1.5 Case Managers	100 families will be placed in shelter / other emergency housing 60 families will be placed in transitional / permanent housing 45 family members will get jobs
Decent housing for low/moderate income families	Rehab XYZ Housing Project - Soft costs (development and financial staff, legal services, permits, architects)	80 affordable housing units will be renovated to improve living conditions
Create economic opportunities	Entrepreneurial Training - 2 classes, each lasting 6 weeks	6 people will start a business within a year 6 people will be able to maintain and/or grow their existing business

III. Experience/Organizational Capacity

- 1-2. Agency Mission / Years in Operation - Self-explanatory
3. List the major Programs and Services offered by your agency (not just CDBG-funded services).
4. Specific Activities to Staffing paid with CDBG funding (example below).

Specific Service / Activity	Position/Title	Work Related to CDBG-Funded Activity	# of Hours per Week spent on this Specific Service / Activity	% of Hours per Week spent on this Specific Service / Activity to be paid with CDBG
Ex.: Case management for homeless families	Case manager	Meet regularly with clients, prepare individual service plans, collect data, prepare reports	40	100%
Ex.: Financial education	Program Manager	Develop curriculum, recruit students, teach classes, meet with clients, collect data	25	50%
Ex.: XYZ Housing Project	Developer	Develop pro formas, hire architects, obtain permits, historic preservation, bid and manage contracts, relocate tenants	40	20%
Ex.: XYZ Housing Project	Financial staff	Process payroll and invoices, prepare draw downs and reports, audit	Varies week to week, 5 on average	25%
Ex.: Access Modifications	Program Manager	Interview clients, prepare grant agreements, ensure compliance with historic preservation and other environmental review, Davis Bacon, lead safety requirements, help with city permitting and contractors	Varies week to week, 10 on average	100%
Ex.: Entrepreneurial Training	Program Manager	Develop curriculum, recruit students, collect applications and data	35	100%
Ex.: Entrepreneurial Training	Teachers	Teach classes	10	100%

5-7. Self-explanatory

IV. Proposed Low & Moderate Income Beneficiaries/Commitment to Diversity

1. See explanation on the top of page 5.
2. Project, by income, the number of unduplicated Burlington persons you hope to serve.
- 3-5. Self-explanatory

V. Budget/Financial Feasibility

Use this section to explain how your CDBG funding request fits within the present and future funding framework of your organization and how you will leverage other resources with CDBG funds.

1. **Project Budget:** Show all line items and corresponding budget for the proposed project.

2. **Funding Sources:** Provide specific information about funding sources (i.e., the agency/entity and the program/activity which are the source of the funds).

Project: The activity(ies) for which CDBG funds will be used. CDBG funds could be used to pay for all or part of the activity(ies). Include **all** project funding sources, current and projected.

Agency: The *entire* agency, as incorporated as a non-profit agency. (City departments should consider themselves as agencies.) Include the **entire** agency budget, not just for this project.

Current: The year in which you are *now* operating -- your current budget.

Projected: Your budget for next year. **This includes your 2013 CDBG request** as well as your requested or projected funding from other sources.

3. Calculate the % of CDBG funds proposed to the total cost of project.
4. Calculate the total cost per beneficiary.
- 5-8. Self-explanatory

VI-IX: Self-explanatory

Your completed application (excepting the Cover Page) cannot exceed **eight (8)** pages. You can readjust the spacing of the questions, but the entire application, beginning with the *"Demonstrated Need,"* must still meet the eight-page limit. There are no specific font requirements, but please keep in mind that Board members read, typically, anywhere from 30 to 50 applications – and will not appreciate a tiny, hard-to-read font. ***Attached material, other than what has been listed already, will be removed and discarded!***

Conflict of Interest Statement

In order to ensure compliance with federal and local conflict of interest proscriptions, applicants must complete and submit **one (1)** signed original of the attached Conflict of Interest statement.