The City of San Bernardino is seeking applications for the 2019-2020 Program Year for Community Development Block Grant (CDBG) and Emergency Solution Grant (ESG) funds. The City is an entitlement jurisdiction that receives CDBG, and ESG funds directly from the U.S. Department of Housing and Urban Development (HUD). The City anticipates receiving approximately $2,800,000 in CDBG and $270,000 in ESG funds.

The City’s CDBG program can fund eligible community and economic development activities; and fair housing. Eligible activities for CDBG funding must meet one of the following national objectives: 1) principally benefit low-and moderate income persons, 2) eliminate slums and blight, and 3) meet an urgent need. The types of projects and programs which may be considered for funding, subject to national objectives compliance are summarized as follows; construction and rehabilitation of publicly owned facilities, improvements to public and private buildings to make them accessible to people with disabilities, and infrastructure improvements to include sidewalks, street, drainage, and water and sewer systems.

The City is also seeking applications from entities that have experience and are qualified to provide services that are eligible for ESG funding. The purpose of the ESG program is to assist individuals and families to quickly regain stability in permanent housing from crises or homelessness. Eligible activities for ESG funds are: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and data collection through the Homeless Management Information System (HMIS).

Applications will be available on the City website at [www.sbcity.org](http://www.sbcity.org) as of November 16, 2018

Applications are due no later than Tuesday, December 18, 2018 at 3:00P.M. deadline at the City of San Bernardino Community Development front desk located at 201 North E Street, 3rd floor, San Bernardino, CA, 92401.

Applications received after the 3:00P.M. deadline on December 18, 2018 will not be accepted.

If you require public documents in an accessible format, the City will make reasonable efforts to accommodate your request. It is the intent of the City of San Bernardino to comply with the Americans with Disabilities Act (ADA). If you should need special assistance, please contact Gretel Noble, Housing Manager at (909) 384- 7270 or via email at noble_gr@sbcity.org.
Section 1: Community Development Block Grant (CDBG)

THE CITY CDBG PROGRAM

Project eligibility Federal regulations define the parameters for using CDBG funds according to the national objectives. They also specify eligible program activities. Copies of these regulations are available on HUD’s website at: https://www.hudexchange.info/programs/cdbg/cdbg-laws-and-regulations/ or from the Economic & Housing Development Department upon request.

Eligible activities include acquisition of real property for an eligible use, construction and rehabilitation of public facilities, demolition and clearance of deteriorated buildings, community services for low- and moderate-income persons or households, and removal of barriers that restrict the mobility of elderly and severely disabled adults.

Ineligible activities include construction of religious facilities or government buildings, new housing construction, equipment purchases, maintenance and operation expenses, political or religious proselytizing, and fund raising.

CDBG CAPITAL IMPROVEMENT PROJECT REQUIRED RECORDS

Application
- Project location and service area boundaries by census tract
- Detailed scope of work
- Construction schedule
- Detailed budget
- Project Timeline
- Identify any known environmental issues at the site
- Environmental Review Record - You may not enter into a written agreement with the Prime Contractor until this piece has been completed by the housing staff and you have been given the authority to proceed.
  - Submit SITE-SPECIFIC FIELD CONTAMINATION CHECKLIST if needed.

Contract
- CDBG Compliance Memo/Agreement
- Signed Vendor Service Agreement with Contractor including appropriate SAMS and CSLB documentation

Financial Management and Audits File
- RFP
  - The final draft of the RFP and Public Notice must be approved by Housing & Purchasing before its release to the public.
  - Forward list of applicants and identify chosen bidder.
  - Forward copy of draft staff report to housing staff for review and approval prior to submitting to CM for review and approval.
  - Maintain copies of City Council Agenda and Minutes in your project file.
- Pre-Construction Meeting
  - Housing staff attendance is required at meeting to go over the CDBG reporting requirements (e.g. Davis Bacon, Section 3, MBE/WBE, etc)
  - Must have Pre-Construction checklist appropriately filled in day of meeting
- Register project on DIR website and forward proof to housing staff – like below http://www.dir.ca.gov/
- Contract Award (one for each prime contractor)
  - Forward copy of the Notice to proceed and signed agreement to housing staff and maintain in file
  - Forward copy of all necessary permits and licenses to housing staff and maintain in file
  - Maintain a Labor Standards file for prime contractor with separate files for each subcontractor
  - Copies of weekly payroll reports reviewed by your staff and employee interviews must be submitted to the housing staff
  - Forward copy of Notice of Completion to housing staff
- Invoices
  - Show cost
  - Supporting documentation/explanations for costs (i.e. if cost is for classes/trainings provide the date and the number of attendees)

Quarterly Performance Reports (QPR)
- Submit to Housing Division 10 days after the end of each quarter - October 10, January 10, April 10, July 10
  - Project narrative
  - Economic development activities
  - Expenditures
  - Submit Section 3 Report & Contractor/Subcontractor Activity Report for project.
  - Submit Notice of Completion

INDEMNIFICATION AND INSURANCE REQUIREMENTS

**Indemnification** - The Contractor agrees to indemnify, defend and hold harmless the City and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this contract from and cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the City on account of any claim therefore, except where such indemnification is prohibited by law.

**Insurance** – A. Developer shall maintain insurance, as set forth below, throughout the term of this Agreement. Developer shall remain liable as stated in Section 11 above for all losses and damages incurred by any of the Indemnitees that are caused directly or indirectly through the actions or inactions, willful misconduct or negligence of Developer in the performance of the duties assumed by Developer pursuant to this Agreement, to the extent such losses and damages are not covered by insurance maintained by Developer pursuant to this Section 12.

B. Developer shall maintain insurance policies issued by an insurance company or companies authorized to do business in the State of California and that maintain during the term of the policy a Financial Strength Rating of at least A and a Financial Size Category designation of at least V, as set forth in the then most current edition of “Bests Insurance Guide,” as follows:

**Workers’ Compensation** - Developer and each of its subcontractors shall maintain worker’s compensation coverage in accordance with California workers’ compensation laws for all workers under Developer’s and/or its any of its subcontractors’ employment performing work under this Agreement.
Automobile Liability Insurance - Developer and each of its subcontractors shall maintain comprehensive automobile liability insurance of not less than One Million Dollars ($1,000,000) combined single limit per occurrence for each vehicle leased or owned by Developer or its subcontractors and used in performing work under this Agreement.

Commercial General Liability Insurance - Developer shall maintain commercial general liability insurance, including coverage for personal injury, death, property damage and contractual liability, with a limit of at least One Million Dollars ($1,000,000), including products and completed operations coverage.

Additional Named Insured - All policies, except for the Workers’ Compensation, Errors and Omissions and Professional Liability policies, shall contain additional endorsements naming the City and its officers, employees, agents and volunteers as additional named insureds with respect to liabilities arising out of the performance of services hereunder.

Waiver of Subrogation Rights - Contractor shall require the carriers of the above required coverages to waive all rights of subrogation against the City, its officers, employees, agents, volunteers, contractors and subcontractors.

Policies Primary and Non-Contributory - All policies required above are to be primary and noncontributory with any insurance or self-insurance programs carried or administered by the City.

Proof of Coverage - Contractor shall immediately furnish certificates of insurance to the City Department administering the contract evidencing the insurance coverage, including endorsements, above required prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of an Agreement, the Contractor shall furnish certified copies of the policies and all endorsements.

Insurance Review - The above insurance requirements are subject to periodic review by the City. The City’s Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of the City. In addition, if the Risk Manager determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the City, inflation, or any other item reasonably related to the City’s risk. Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to the Agreement. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

THE APPLICATION REVIEW PROCESS

The City’s CDBG PY 2019-20 will begin on July 1, 2019 and will end June 30, 2020.

Construction project applications will not be accepted as complete without an executed Maintenance
and Operation Commitment and an Estimated Annual Maintenance and Operation Budget. These elements of the application provide assurances of long-term benefits of CDBG-funded improvements. All organizations that receive CDBG block grant funding for facility improvements are required to enter into a Maintenance and Operation (M & O) contract. Federal regulations do not permit the use of CDBG funds for facility maintenance and operation costs.

City staff will review all applications for eligibility based on their consistency with the national CDBG objectives and the strategies and goals of the adopted Consolidated Plan. Eligible applications will be recommended for funding for priority ranking/recommendations.

The Mayor and City Council will hold a public hearing to consider all funding recommendations and approve CDBG projects.

For more information, please contact: Gretel Noble, Housing Manager at (909)384-7270 or via email noble_gr@sbcity.org
Section 2: Emergency Solutions Grant

THE CITY ESG PROGRAM

As authorized by the Federal Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act). The HEARTH Act significantly revised the Federal ESG Program Regulations at 24 CFR Part 576 and established new regulations for the ESG Program. Section 576.51 of ESG regulations requires a 100 percent funding match. Agencies must match dollar-for-dollar the ESG funding provided by HUD with funds from other public or private sources. Refer to 24 CFR 576.201 for additional information.

Under this NOFA:

ESG funds will be awarded to nonprofit organizations and public entities sponsoring projects within the jurisdiction for one year, with two one-year options to extend the contract, based on performance and funding availability.

ESG funds may be used for the following program components: Street Outreach, Emergency Shelter, Homelessness Prevention, Rapid Re-Housing Assistance, and Homeless Management Information System (HMIS).

SUMMARY OF ELIGIBLE ESG-FUNDED ACTIVITIES

<table>
<thead>
<tr>
<th>Component</th>
<th>Main Eligible Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Outreach</td>
<td>• <strong>Essential Services:</strong> Engagement, Case Management, Emergency Health Services, Emergency Mental Health Services, Transportation, Services to Special Population.</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>Renovation, Major Rehabilitation and Conversion, Shelter Operations, Assistance required under URA.</td>
</tr>
<tr>
<td>Homelessness Prevention</td>
<td>Housing Relocation and Stabilization Services:</td>
</tr>
<tr>
<td></td>
<td>• <strong>Financial Assistance:</strong> Moving Costs, Rent Application Fees, Security Deposits, Last Month’s Rent, Utility Deposit and Utility Payment.</td>
</tr>
<tr>
<td></td>
<td>• <strong>Services:</strong> Housing Search, Housing Placement, Housing Stability, Mediation, Legal Services, Credit Repair, Budgeting, Money Management.</td>
</tr>
<tr>
<td></td>
<td>• <strong>Rental Assistance:</strong> Short - Up to 3 months, Medium – 4-24 months. Tenant-Based Rental Assistance and Project-Based Rental Assistance.</td>
</tr>
<tr>
<td>Rapid Re-Housing Assistance</td>
<td>Housing Relocation and Stabilization Services:</td>
</tr>
<tr>
<td></td>
<td>• <strong>Financial Assistance:</strong> Moving Costs, Rent Application Fees, Security Deposits, Last Month’s Rent, Utility Deposit and Utility Payment.</td>
</tr>
<tr>
<td></td>
<td>• <strong>Services:</strong> Housing Search, Housing Placement, Housing</td>
</tr>
</tbody>
</table>
Stability, Mediation, Legal Services, Credit Repair, Budgeting, Money Management.

- **Rental Assistance**: Short - Up to 3 months, Medium – 4-24 months. Tenant-Based Rental Assistance and Project-Based Rental Assistance.

| HMIS | Include costs of contributing data to the HMIS designated by the CoC for the area, including: Purchasing Computer Hardware, Software, Equipment, Technical Support, Office Space, Utilities, Staff Salaries, Data Quality, Data Analysis, Reporting, HMIS Training or comparable database, HMIS participation fees. Refer to the Eligible Expense Guide for additional details. |

<table>
<thead>
<tr>
<th>Eligible Activities</th>
<th>Limitation/Restriction on Use.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Outreach</td>
<td>For street outreach and emergency shelter activities combined, up to 60% of the fiscal year grant.</td>
</tr>
<tr>
<td>Emergency Shelter</td>
<td>40% of ESG funding is targeted for prevention.</td>
</tr>
<tr>
<td>Homelessness Prevention</td>
<td></td>
</tr>
</tbody>
</table>

**REQUIREMENTS FOR SUBMITTAL**

**A. Affordability** - Attachment A outlines income eligibility levels.

- “Extremely-Low Income” households are households whose adjusted household income is at or below 30% of the area median income (“AMI”).

- “Very-Low Income” households are households whose adjusted household income is between 31% and 50% of AMI.

- "Low-income" households are defined here as households whose adjusted household income is between 51% and 80% of AMI.

- "Median income" is defined and published periodically by HUD for the San Bernardino Standard Metropolitan Statistical Area.

**B. Project Location** - Describe the project location in as much detail as possible, including the street address, cross streets and Assessor Parcel Number. Projects must be located within the jurisdiction.

**C. Consistency with the FY 2015-2019 City of San Bernardino Consolidated Plan** - Applicants are required to demonstrate that their project is consistent with the City of San Bernardino’s current HUD-approved Consolidated Plan.
D. **Match Requirements** - Section 576.51 of ESG regulations requires a 100 percent funding match. Agencies must match dollar-for-dollar the ESG funding provided by HUD with funds from other public or private sources. Refer to 24 CFR 576.201 for additional information.

E. **Board Resolution** - An applicant must submit a resolution of its Board of Directors authorizing the submittal of a proposal and identifying who is authorized to execute documents. Use EXHIBIT 2.

F. **Articles of Incorporation and By-Laws** - All proposals must include current Articles of Incorporation and By-Laws for the organization.

G. **Audited Financial Statements** - Submit the following information for the last two (2) fiscal years:

- Audited financial statements of the entire organization with the applicable notes;
- Independent Auditor’s Report on Compliance and Internal Control over Financial Reporting based on an Audit of the Financial Statements in Accordance with Government Accounting Standards; and
- Independent Auditor’s Statement of Findings and Questioned costs.

H. **Minimum Organization Standards for Nonprofit Developers** - Nonprofit applicants for HCD grants must provide certification of the following organization standards:

- A minimum of four directors establishes a quorum for conducting organization business;
- Provide for the participation of not less than one homeless individual or formerly homeless individual on the Board of Directors;
- The organization conducts quarterly board meetings;
- Quarterly financial statements are reviewed by the board of directors; and,
- The executive director and other paid staff do not serve as voting board members.

I. **Evidence of Funding Commitments** - Letters from other funding sources must include the name, title, and telephone number of the responsible contact person, and funding amount.

J. **Cost allocation plan** - All applicants must submit a cost allocation plan that clearly demonstrates how direct and indirect costs are shared between the project and other agency projects.
K. **Position Descriptions** - Provide a position description for all the proposed staffing of the project.

L. **Organizational/Staffing Chart** - Applicant must include an organizational/staffing chart that describes the overall organization and illustrates the relationship of the proposed program with other organizational divisions, programs and sections. Indicate the lines of organizational management, authority, and responsibility. The staffing chart identifies program staff positions (by name and title, if known) and reporting responsibility.

M. **Project/Program Description** - Applicant must describe the proposed project/program (work to be performed, activities to be undertaken, or services to be provided) and also describe specifically how the requested ESG funds will be used. Describe how this project will benefit persons experiencing homelessness or at risk of homelessness. Describe the problem or need that the proposed project is intended to address.

N. **Homeless Management of Information System Participation** - ESG recipients will assure compliance with all HUD record-keeping provisions, including use of the HMIS for clients served by ESG-funded programs. HUD requires that ESG recipients and providers start entering data into an HMIS beginning with the use of the funds from the 2011 second allocation.

Under ESG, programs are also required to keep a record of all clients that are screened and classified as ineligible. The ESG recordkeeping and reporting requirements state that for each individual and family determined ineligible to receive ESG assistance, the record must include documentation of the reason for that determination (See 24 CFR § 576.500(d)). With regard to entering data into an HMIS, the ESG regulation does not require that data about individuals or families determined to be ineligible be entered into an HMIS. (See 24 CFR § 576.400(f)). However, recipients/sub-recipients may use an HMIS to retain this information.

**REQUIREMENTS FOR FUNDING**

A. **Environmental Review** - From the time the application has been submitted, the contractor must not commit funds or take any choice limiting actions (including option agreements or contracts for site purchase, excavation, filling, construction, rehabilitation, renovation, conversion or other physical activities) until completion of the environmental processing and HUD’s formal Release-of-Funds, regardless of whether the work would be accomplished with federal funds or other matching funds. Failure to comply will jeopardize the availability of HUD funds for the project. An environmental review must be completed before the City will execute a contract. City staff conducts this review using information provided in the application.
B. Insurance Requirements - Proof of insurance meeting these requirements is to be submitted to the City ten (10) days prior to contract execution.

**General Liability Insurance**: Funding recipients will be required to obtain and provide evidence of general liability insurance in the amount of $1 million with the City of San Bernardino named as an additional insured.

**Automobile Liability Insurance**: Funding recipients will be required to obtain and provide evidence of automobile liability insurance in the amount of $1 million. If the recipients do not have any “Owned” automobile, “Hired and Non-Owned” automobile liability will meet this requirement.

**Endorsement to General Liability Insurance**: Each Contractor is required to name the City of San Bernardino as an additional insured on their general liability insurance policy.

**California Workers’ Compensation and Employer’s Liability**: As required by the State of California Labor Code.

Depending on the contract scope of work, the requirement for Builders Risk on an All Risk basis and Contract Bonds may need to be included in the funding recipient's insurance coverage.

**PROJECT ADMINISTRATION AND MONITORING**

The City is the administrative and monitoring agency for projects awarded through this NOFA. Note the following project funding conditions:

1. **Disbursement of Funds**

   It is estimated that it will take between one to two months before contract documents are executed. The actual time will vary according to the complexity of the approved developments, environmental constraints, and contract negotiations.

   Under this NOFA, the City will award ESG funds in the form of grants. The City distributes funds through a reimbursement program. Expenses incurred prior to the effective date of the executed contracts are not eligible for reimbursement. Billings for reimbursement must be submitted in accordance with contract specifications, 24 CFR Part 84 and OMB Circulars A-110, A-122, A-133.

2. **Funding Reallocations**

   The City reserves the right to reallocate funds from one approved project to another or to a new activity, or to cancel fund reservations at its discretion if projects are not proceeding satisfactorily (in the sole opinion of the City) towards commencement of the proposed activity.
PROJECT PROPOSAL RANKING

Each proposed project is rated on the merits of the application using criteria for need, feasibility, fiscal, and project management capacity. A minimum score of 70 (seventy) out of 100 (one hundred) points is required for a project to be recommended for funding by any review panel.

All proposals will be reviewed for completeness and threshold criteria. All proposals must meet the threshold criteria to be forwarded for further review by a NOFA review panel. The threshold criteria for ESG NOFA proposals are:

**Threshold Criteria**

- _____ Serves residents whose incomes are at or below 30% of the AMI
- _____ Serves persons experiencing homelessness or at risk of homelessness
- _____ Consistent with the 2015-2019 Consolidated Plan and amendments
- _____ 100% match funding is proposed and funding source is identified
- _____ All submittal requirements have been met

Once proposals have been screened for threshold criteria and have been forwarded for competitive review, a NOFA Review Panel will be convened. The next page contains scoring criteria that will be used for the NOFA process. Funding recommendations will then be made to the Mayor and City Council for consideration.
<table>
<thead>
<tr>
<th>A. Project Need</th>
<th>Maximum Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Target Population – Does the applicant describe the target population or subpopulation and how they are accessed? Does it address the needs of the population? Does it describe challenges and barriers?</td>
<td>5</td>
</tr>
<tr>
<td>2. Geographic Area – Does the applicant describe the location? Does the project benefit the needs of its Residents?</td>
<td>15</td>
</tr>
<tr>
<td>3. Consolidated Plan – Does the applicant demonstrate how the proposal meets with the priorities outlined in the City of San Bernardino’s 2010-2015 Consolidated Plan?</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30</strong></td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>B. Project Description</th>
<th>Maximum Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Project Goals/Objectives/Activities – Does the applicant provide a complete description of program?</td>
<td>10</td>
</tr>
<tr>
<td>2. Does the project benefit persons experiencing homelessness or at risk of homelessness?</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30</strong></td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>C. Experience, Management and Staffing</th>
<th>Maximum Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agency/Program Experience – Does the applicant describe in detail the agency/program experience in developing, implementing and evaluating the proposed project or comparable project?</td>
<td>8</td>
</tr>
<tr>
<td>2. Government Contracts – Does the applicant have any experience with government contracts for similar projects? Have there been any corrective actions and were they resolved? If none, does the applicant have other contracts for similar projects?</td>
<td>5</td>
</tr>
<tr>
<td>3. Organizational/Staffing Chart – Did the applicant include an organizational/staffing chart? Does the chart illustrate organizational management, authority, and responsibility? Does the chart identify program staff (including title and FTE) and demonstrate the lines of accountability and reporting responsibility for the proposed project?</td>
<td>2</td>
</tr>
<tr>
<td>4. Board of Directors Roster – Does the applicant provide a current Board of Directors roster including names, titles, affiliation/occupation of board officers and contact information?</td>
<td>2</td>
</tr>
<tr>
<td>5. Position Descriptions – Does the applicant provide a position description for all the proposed staffing of the project? Does the position description reflect the proposed project? Does the applicant provide a résumé for the Executive Director/Chief Executive Officer? Does the résumé demonstrate capacity/experience to support the project?</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20</strong></td>
</tr>
</tbody>
</table>

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<tr>
<th>D. Fiscal Capacity</th>
<th>Maximum Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Match – Does the applicant provide evidence of at least 100% Match?</td>
<td>5</td>
</tr>
<tr>
<td>2. Audited Financials – Does the applicant provide last two (2) fiscal years’ Audited Financial Statements of the entire organization with the applicable notes, Independent Auditor’s Report on Compliance and Internal Control over Financial Reporting based on an Audit of the Financial Statements in Accordance with Government Accounting Standards and Independent Auditor’s Statement of Findings and Questioned costs?</td>
<td>5</td>
</tr>
<tr>
<td>3. ESG Cost Allocation Plan – Does the applicant provide a detailed cost allocation plan that clearly demonstrates how direct and indirect costs are shared between the project and other agency projects? Is it consistent with OMB Circular A-122?</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20</strong></td>
</tr>
</tbody>
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<table>
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<tr>
<th>E. Total</th>
<th>Maximum Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
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</table>