



CITY OF LAGUNA NIGUEL
2023-2024
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
PUBLIC SERVICE GRANT APPLICATION GUIDELINES

PURPOSE

The City of Laguna Niguel is accepting applications from existing tax-exempt California nonprofit corporations that provide social services for lower-income residents of the City of Laguna Niguel, that are eligible for Community Development Block Grant (CDBG) funding.

PROGRAM DESCRIPTION

The primary objective of the CDBG program, which is administered by the federal Department of Housing and Urban Development (HUD), is to develop viable communities by:

- Providing decent housing
- Providing a suitable environment
- Expanding economic opportunities

All CDBG-funded activities must principally benefit persons of low- and moderate-income (as defined by HUD – see below).

Laguna Niguel receives an annual CDBG allocation from HUD. The City is free to select from a range of eligible activities established by HUD for CDBG funding, including public services. HUD limits CDBG funding for public services (i.e., social service programs) to a maximum of 15 percent of the City's annual grant award. For Fiscal Year 2023-2024, the City anticipates receiving approximately \$345,000 in CDBG funds; however, HUD has not officially notified the City of its actual 2023-2024 CDBG allocation. For planning purposes, the maximum amount that Laguna Niguel will allocate for public service programs is \$51,750. **Please note that funding estimates are subject to change.**

PROGRAM REQUIREMENTS

A. CDBG NATIONAL OBJECTIVE

All CDBG funded activities must meet one of the CDBG program's three national objectives:

1. Provide benefit to low- and moderate-income persons,
2. Aid in the prevention or elimination of slums or blight, or
3. Meet a community development need having a particular urgency (i.e., declared disaster).

B. BENEFITS TO LOW/MODERATE INCOME POPULATION

Overall, 51 percent of CDBG program beneficiaries must meet HUD's definition of a low- or moderate-income person. A person is considered low- and moderate-income if their household income is less than or equal to 80 percent of the county median income. Program

beneficiaries must be able to provide evidence of income. Current income limits, adjusted for household size, are as follows:

<u>Number of Persons in Household</u>	<u>Income Limit</u>
1	\$75,900
2	\$86,750
3	\$97,600
4	\$108,400
5	\$117,100
6	\$125,750
7	\$134,450
8	\$143,100

Note: Income limits are updated annually by HUD.

C. BENEFIT TO THE LAGUNA NIGUEL COMMUNITY

Eligible activities must show evidence of benefit to Laguna Niguel residents. Reliable accounting of the number of low- and moderate-income Laguna Niguel residents directly assisted with grant funding must be provided. All program beneficiaries must provide evidence that Laguna Niguel is or was their last permanent place of residence for a minimum of three months.

D. NONPROFIT STATUS

Before the application deadline, eligible service providers must be tax-exempt California nonprofit corporations, and proof of nonprofit status must be provided at the time of application. Additionally, applicants must be in good standing with the IRS, State of California, and the City of Laguna Niguel.

E. PERMITS AND LICENSES

Programs must have or obtain all proper local, State, and Federal permits and licenses. Applicants must also be in full compliance with and in good standing with permit/license issuing agency and applicable land use regulations.

F. INSURANCE

All agencies awarded CDBG funds will be required to obtain and maintain the following insurance coverage:

1. General Liability: \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury, and property damage.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

An endorsement naming the City as additional insured is also required.

FUNDING

The minimum grant is \$5,000; however, applicants should consider the cost of providing eligible services and the robust grant administration requirements of the CDBG program when determining a grant request. Note that the City is not obligated to fund all program elements requested in an application (for example, the City could choose to fund a portion of program staff costs but not administrative staff costs.) Funding will only be granted for CDBG-eligible expenditures as delineated in federal regulations. Funding will be provided for eligible expenditures on a reimbursable basis only, subject to the federal Office of Management and Budget guidelines and the CDBG program. **ALL** staff funded in whole or in part with CDBG must maintain codified timesheets that identifies time worked on Laguna Niguel grant related services/tasks – no exceptions.

For additional information regarding eligible use and management of federal funds, applicants are encouraged to review applicable federal regulations and resource:

- CDBG Regulations ([24 CFR 570](#))
- Federal Grant Administrative Regulations ([2 CFR 200](#))
- Single Audit Regulations (OMB Circular A133)
- [Playing by the Rules - Handbook for CDBG Subrecipients](#)

SELECTION CRITERIA

Applications will be reviewed and evaluated by the City's Grants Ad-hoc Committee. Applicants will have an opportunity to present their grant application request to the Grants Ad-hoc Committee during an interview. The date, time, and format (e.g., in-person or Zoom) of the interviews will be provided to all applicants at a later date; however, interviews will most likely be held in March 2023.

INSTRUCTIONS FOR SUBMISSION REQUIREMENTS

- The application due date is **Friday, February 3, 2023, – 5 PM.** An original application must be mailed or delivered to the **Community Development Department, City of Laguna Niguel, 30111 Crown Valley Parkway, Laguna Niguel, CA 92677**, and identified as **2023-2024 Public Service Grant Application.**
- The original application must be signed by an official authorized to act on behalf of the applying organization.
- The application must also be submitted via email by the due date and time. Email subject line should reference 2023-2024 Public Service Grant Application. Email should be addressed to CDBG@cityoflagunaniguel.org. (Only Submit the Application)
- The original application must be printed one-sided and not stapled.
- **APPLICATIONS WILL NOT BE ACCEPTED AFTER THE DEADLINE.**

- All other required materials must be submitted in PDF file format on a USB storage device. Ensure all passwords are removed for documents such as tax returns and audits. Failure to remove passwords may prevent staff from inspecting submitted documents and result in the disqualification of the application.
- Applications may not be sent by facsimile.
- Do not submit applications in binders or other types of portfolios.
- Do not provide any program materials, letters of recommendations, etc.

CITY CONTACT INFORMATION

A request for an electronic copy of the application or questions regarding the application process should be directed to Mike Linares, City of Laguna Niguel, Community Development Consultant at mлинаres@cityoflagunaniguel.org.