



# City of Worcester

## City Fiscal Year 2025 HUD Entitlement Program & RFP Overview

Presented by:  
Executive Office of Economic Development

Neighborhood Development Division &  
Housing Development Division

December 14, 2023

# Goals for Funding & Application Overview Meeting

- Provide Overview of Federal Entitlement Grant Process & Timelines
- Guidance on Developing Applications
  - Review of process and timeline
  - Review of CDBG proposal evaluation criteria
  - Guides and tips on CDBG proposals
- Overview of CDBG, ESG, and HOPWA Programs
- Program specific Q&A opportunity

# Process Timeline

Description	Dates
RFPs for CDBG, HOPWA, ESG FY 2025/ PROGRAM YR 50 Released	Posted On-Line Tuesday, December 5, 2023
General Technical Assistance Workshop for all Entitlement Programs: CDBG, ESG, HOPWA	Thursday, December 14, 2023 3:00 PM
Technical Assistance Workshop for Public Facility & Improvements	Wednesday, December 20, 2023 3:00 PM
RFPs for CDBG, HOPWA, ESG Due to City of Worcester	Tuesday, January 16, 2024 4:00 PM
CDAC and Staff Meetings- Discuss and Rank CDBG RFP Applications	January - March 2024
Draft Action Plan Developed & City Council Consideration	April - May 2024
Public Hearing on Final Action Plan Draft & Five Year Consolidated Plan	Spring 2024 TBD

# Annual Funding Levels

## FY 2019 - FY 2022 Funding Amounts\*

Program	FY 2021 Yr. 46	FY 2022 Yr. 47	FY 2023 Yr. 48	FY 2024 Yr. 49
CDBG	\$4,617,183	\$4,663,508	\$4,232,467	\$4,077,241
HOME	\$1,624,201	\$1,647,133	\$1,844,930	\$1,817,821
HOPWA	\$651,256	\$694,062	\$733,016	\$799,793
ESG	\$385,068	\$393,826	\$392,016	\$371,989
<b>Total</b>	<b>\$7,277,708</b>	<b>\$7,398,529</b>	<b>\$7,202,429</b>	<b>\$7,066,844</b>

# Guide to Preparing Good Programs and Applications

# Application Ranking Criteria

- CDAC will be using a multi-point scoring system for evaluating CDBG RFP proposals
  - Proposal **narrative** is complete and of good quality
  - Proposal addresses a key **community need**
  - Proposal has relevant, clear **outcomes and measurements**
  - **Project readiness** or delivery plans are reasonable and sound
  - Organization or staff has strong **experience or capacity**
  - Proposed program budget **leverages funds** other than CDBG
  - CDAC committee members may award up to 3 **discretionary points**

# Criteria and Scoring

Projects & Programs should be SMART:

S

Specific

M

Measurable

A

Attainable

R

Relevant

T

Time Bound

# Performance-Based Reporting

- Proposal Should Include Measurable Outputs and Clear Outcomes
- Provide the unduplicated number of families/persons who will benefit from the activity (*output*), and describe your method to keep track of that.
  - Select a method for tracking and ensuring only unduplicated and income eligible CDBG clients or communities are served.
- Include an assessment of the impact (*outcome*) on the individual clients addressed.
  - Develop key indicators or benchmarks that indicate progress
- Describe your method to track key CDBG demographic data and number of clients served; recording race/ethnicity and income level of client is important.



# Other Things to Consider

- Proposal has a **clear and accurate budget**
- Proposal is **cost reasonable**
- Proposed program does **not duplicate existing services** or provide services to “**duplicate clients**”
- Newly created programs that haven’t been funded by CDBG prior will be scrutinized more carefully by the City:
  - It’s recommended that programs have a prior “proven” track record through CDBG or other funding support for proposed activity
- Carefully consider how you plan to manage collection and submittal of documentation to substantiate outcomes and grant payment requests

# Common Mistakes!

- Insufficient information to get a clear understanding of the proposal or outputs and outcomes
- Failure to document the need
- Incomplete financial information
- Requesting ineligible use of funds
- Application is incomplete
- Failure to factor CDBG project due diligence such as environmental reviews or feasibility analyses (if applicable)

# Yr. 50 Special Notice for Prior Unfunded Organizations

- An estimated \$20,000 from the City's total Public Services funds will be available to support impactful organizations and programs that are "new" to CDBG funding
  - Funding will be capped at a maximum award of up to \$ 10,000 per organization, for up to two (2) organizations
  - All applicants "new" to CDBG Public Services funding that apply for \$ 10,000 or less will be evaluated against other similarly experienced applicants only
  - The City is *not* seeking to support entirely new organizations or entirely new programs (i.e. organizations or programs with one year or less of existence or program experience for example)

The background features a large, faded green seal of the City of Worcester, Massachusetts. The seal is circular and contains the text "WORCESTER" at the top and "A TOWN INCORPORATED 1736" at the bottom. In the center of the seal is a shield with a tree and a plow. The seal is overlaid on a white background that is part of a larger graphic with a red and blue curved border.

# Overview of Community Development Block Grant (CDBG) Program

# CDBG History & Purpose

- The Community Development Block Grant (CDBG) Program was authorized under Title I of the Housing and Community Development Act of 1974 to:
  - Provide annual grants on a formula basis to local and state governments
  - Provide communities with resources to address unique community development needs
  - Develop viable communities by:
    - Creating a suitable living environment
    - Expanding economic opportunities
    - Providing decent housing

# CDBG Funding Categories

- Local Program Usage Caps:
  - Public Service (15% cap)
  - Project Use (65% cap)
  - Planning & Administration (20% Cap)

# CDBG Eligible Applicants

- City Departments;
- Other public agencies; and
- Public, for-profit & non-profit\* entities that carry out eligible projects or programs within the City of Worcester.

\*Existing 501 (c) (3) status required.

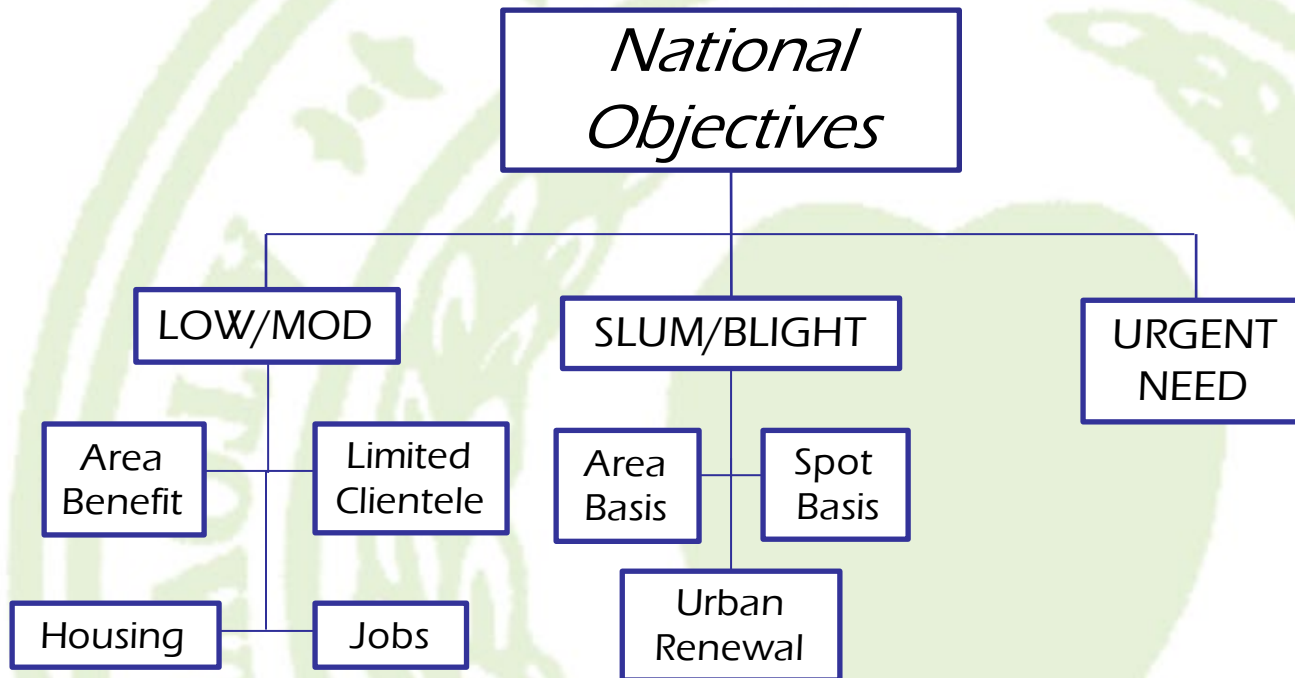
# CDBG National Objectives

- All programs must meet one HUD National Objective as follows:
  - Benefit **Low- and Moderate-Income (LMI)** through following Activities
    - Low-Mod Housing (LMH)
    - Low-Mod Area (LMA)
    - Low-Mod Jobs (LMJ)
    - Low-Mod Clientele (LMC)
  - Aid in the prevention or elimination of **Slums & Blight**; and/or
  - Meet an **Urgent Need** in the community



# CDBG National Objectives

- All programs must meet one HUD National Objective as follows:



# Low and Moderate Income Objective

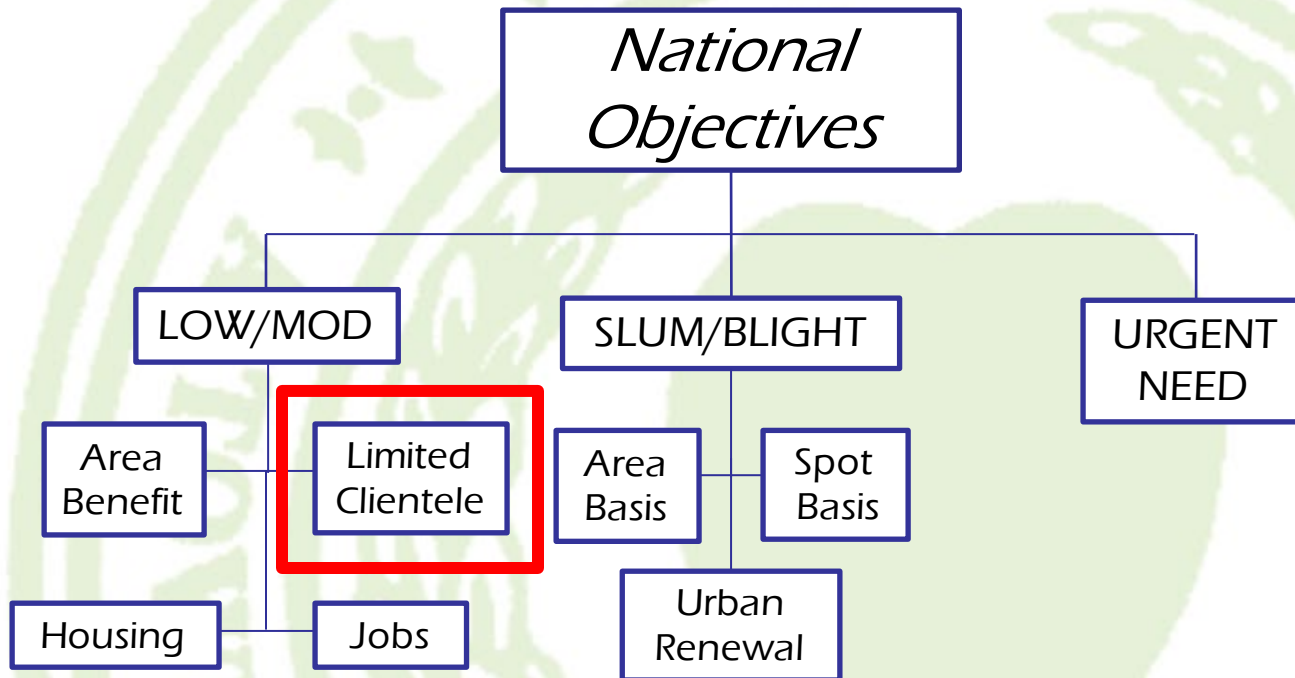
- Most common objective is Low and Moderate Income
  - **At least 51% of program beneficiaries must be low or moderate income.**
    - HUD defines low income as household income equal to or less than 50% of median income.
    - HUD defines moderate income as household income equal to or less than 80% of median income.

# CDBG Public Service Activities

- Majority of **Public Service Activities** are Affiliated with the “Low-Mod Income” (LMI) National Objective and “Low-Mod Limited Clientele” (LMC) Activity
  - **Low-Mod Limited Clientele (LMC) Activities** must meet criteria / fit into one of the following documentation categories:
    - ❑ Serve at least 51% LMI as evidenced by *documentation regarding family size and income*
    - ❑ Be part of a service or program that *has income-eligible requirements* for LMI populations only as documented through program or agency policies or administration procedures, income limits, etc.
    - ❑ Serve a clientele that *fits a category of presumed* to be low-mod such as elderly, homeless, AIDS patients, migrant workers, etc.
    - ❑ Be of such a *nature and location* that LMI clientele are clearly served

# CDBG National Objectives

- Most Public Services Address Limited Clientele:



# CDBG Eligible Public Service/ Activities

Including, *but not limited to:*

- Child care
- Healthcare
- Recreation activities
- Education activities
- Youth services
- Fair Housing activities
- Services for senior citizens
- Information and referral / case management
- Job placement or training
- Services for homeless persons
- Drug abuse counseling & treatment
- Transportation
- Energy conservation counseling & testing
- Homebuyer down payment assistance
- Social services

# CDBG Eligible Project Use Activities

- Acquisition
- Clearance of Sites
- Rehabilitation of Housing or Public Facilities
- Publicly Owned Improvements
- New Construction of Public Facilities
- Homeownership Assistance
- Relocation
- Microenterprise (5 or fewer employees)

# CDBG Beneficiary Thresholds

- No project is eligible if there is not at least 51% low to moderate income benefit.
- Activities affecting **multi-family structures or public facilities**, including infrastructure, must guarantee at least 51% low and moderate income benefit to either the individuals or the area served by the facility.
- Those activities targeting **single family developments** must serve 100% low and moderate income.

# CDBG Ineligible Activities

- Completely Ineligible Activities:
  - Buildings used for the general conduct of gov't
  - General government expenses
  - Political activities
- Generally Ineligible Activities:
  - Purchase of equipment
  - Operating and maintenance expenses
  - Construction of new permanent residential structures
  - Direct Income Payments



# Overview of Emergency Solutions Grant (ESG) Program

# ESG Program Design and Purpose

- The program reflects change from the Emergency Shelter Grant to Emergency Solutions Grant to focus from:
  - Addressing the needs of the homeless people in emergency shelters to
  - Assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

# Eligible Applicants for ESG

- Non-profit organizations who have been providing homeless services for at least one year;
- Must have the capacity to provide matching funds (in-kind contributions) equal to the amount awarded;
- Involve homeless individuals and families in ESG activities; and
- Able to provide written certification that they are part of a Homeless Management Information System (HMIS).

# ESG Eligible Activities

- Street Outreach: providing essential services to reach out to unsheltered homeless people.
- Emergency Shelter: providing essential services to households in emergency shelters.
- Homeless Prevention: providing housing relocation and stabilization services and short- or medium-term rental assistance to prevent homelessness or moving into emergency shelter.
- Rapid Re-Housing: providing services to the homeless population to help move quickly to permanent housing.
- HMIS: Costs of HMIS designated by the CoC including hardware, software licenses or equipment.
- Administration: General management, coordination, monitoring and evaluation of the ESG program.

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# Overview of Housing Opportunities for People with AIDS (HOPWA) Program

# HOPWA Program Design and Purpose

- The Housing Opportunities for People With AIDS (HOPWA) program is designed to provide a full range of housing services to households affected by HIV/AIDS. The long-term goal of the program is to maximize the investment of HOPWA funds in the development of permanent housing and the provision of housing-related services.

# Eligible Applicants for HOPWA

- A person eligible for assistance under HOPWA is one who is diagnosed with AIDS (acquired immunodeficiency syndrome) or tested to be positive for HIV and is of low or moderate income.
- Applicants for HOPWA funds must be a non-profit organization that has provided housing and services for individuals with HIV/AIDS or households containing persons who have HIV/AIDS within Worcester County for at least one year.
- Subject to applicable requirements, HOPWA funds may be used to assist all forms of housing designed to prevent homelessness including emergency housing, shared housing arrangements, apartments, single room occupancy (SRO) dwellings, and community residences. Appropriate supportive services, as required by HUD regulations, must be provided as part of any HOPWA assisted housing, but HOPWA funds may also be used to provide services independently of any housing activity.

# HOPWA Eligible Activities

- Tenant-Based Rental Assistance,
- Short-term rent, mortgage, and utility payments (STRMU)
- Permanent Housing Placement; the goal of which is to help establish permanent residence when continued occupancy is expected.
- Short-term supported housing facilities are intended to provide temporary shelter to eligible individuals to prevent homelessness and allow an opportunity to develop an individualized housing and service plan to guide the client's linkage to permanent housing.
- Supportive services including, but not limited to, health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, personal assistance, nutritional services, intensive care when required, Administrative expenses: Project sponsor receiving funding from grants made under this program may not use more than 7 percent of the amounts received for administrative costs.