

City of Burlington
Community Development Program
CDBG-CV Funding Proposal Guidelines
For Non-Profits

Statement of Purpose

In response to the Coronavirus 2019 (COVID-19) pandemic, the U.S. Department of Housing and Urban Development (HUD) has notified the City of Burlington that it will receive an allocation of funds ***to be used to prevent, prepare for, and respond to COVID-19*** (CDBG-CV funds). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed into law on March 27, 2020 to respond to the growing effects of this unprecedented public health crisis.

The City of Burlington plans to allocate approximately \$206,817 of CDBG-CV funds to Public Service Activities to remain consistent with the current 5-Year Consolidated Plan.

Threshold Requirements

The following criteria are minimum thresholds for consideration of a proposal. Meeting these basic criteria is necessary for the proposal to be considered for funding. If the City determines that the proposal does not meet one or more of the criteria listed below, the proposal will **not qualify for funding**.

1. Applicant Requirements

- a) Funding under this program is available only to non-profit organizations that have received an IRS Section 501(c) tax-exempt designation from the Internal Revenue Service.
- b) If an applicant is delinquent on the repayment of a City loan, is currently in default on any City loan, or is delinquent in any required reporting or monitoring activities, applicant's proposal will not be considered.
- c) Applicants who have received funds in the past must be in good standing with the City and their projects must be progressing in accordance with the schedule developed for the project.

2. Eligible Projects

- a) ***Public Services***: This category is for non-profits who will use grant funds for activities to prevent or respond to the spread of the coronavirus. All services must

meet CDBG eligibility requirements as well and must primarily benefit Burlington citizens. All project requests will be based on documented need by applicant. The chart below provides a quick guide to eligible CDBG-CV Public Services Activities.

Provision of New or Quantifiably Increased Public Services
Carry out job training to expand the pool of health care workers and technicians that are available to treat disease within a community.
Provide testing, diagnosis or other services at a fixed or mobile location.
Increase the capacity and availability of targeted health services for infectious disease response within existing health facilities.
Provide equipment, supplies, and materials necessary to carry-out a public service.
Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.
Maintain homeless operations due to increased homeless clients because of the coronavirus.
Emergency payments (rent/mortgage and utilities) paid directly to service provider for LMI households experiencing economic disruptions due to the coronavirus. Households must provide evidence of late payments starting in April 2020 and payments cannot exceed 3 months.
Other Public Service Activities to prevent, prepare for, and respond to the coronavirus.

*For more information on requirements for Public Services activities, please visit: <https://www.hudexchange.info/onecpd/assets/File/Basically-CDBG-State-Chapter-7-Public-Services.pdf>

3. Affordability Restrictions (Must describe how you will document affordability requirements.)

- a) All assisted households/individuals must be at or below 80% of the area median income, adjusted for size of family as indicated in the table below;

2020 Income Limits Table								
Burlington, NC MSA Area Median Income: \$64,200; LMI= 80% of AMI based on Family/Household Size								
Persons in Family/Household	1	2	3	4	5	6	7	8
Income Limits	\$39,950	\$41,100	\$46,250	\$51,350	\$55,500	\$59,600	\$63,700	\$67,8000

- b) The household/individual must be part of a limited clientele that is presumed to be LMI: homeless persons, abused children, battered spouses, elderly persons, severely disabled adults, illiterate adults, persons living with AIDS, and migrant farm workers; or
- c) The service area must be in a low-to-moderate income Census Tract or Census Block Group, where at least 51% of the residents are LMI.

4. Service Area Requirements

- a) Service area must be in Burlington City limits. Applicant must demonstrate how service area requirements will be documented.

5. Feasibility of the Proposal

- a) The proposed project must be financially feasible at the time of submission. Sources of funds must equal uses for the development phase.
- b) Due to the intent of the CARES Act, priority will be placed on projects where the organization can expend all grant funds within 90 days, as evident by a timeline.

6. Conflicts of Interest

- a) Employees, agents or board members or their immediate family members who exercise any responsibility in making application for, who participate in any decision making process in connection with, and/or who administer the funding granted by the CDBG-CV program shall not have any direct or indirect financial interest in any contract, subcontract or the proceeds associated with work performed in connection with the project.

7. Financial Capacity of the Applicant

- a) The applicant must submit an audited financial statement with an unqualified opinion prepared by a Certified Public Accountant (CPA) to ensure that financial practices are conducted in accordance with Generally Accepted Accounting Principles (GAAP). An unqualified opinion is an independent auditor's judgment that a company's financial statements are fairly and appropriately presented without any exceptions.

8. Complete Proposal

- a) For consideration, the proposal must be complete when it is submitted.

Proposal Submission

To be considered complete, the proposal must also include the following supporting documents:

1. Application form, which includes general organizational information and a narrative stating *clearly and concisely* what you are proposing to do, how you will do it, and who will be assisted by the proposed project (for example, number of families to be assisted or benefits for an area).
2. Proposed project budget, including any other sources of funds you expect to use to conduct the planned project.
3. Resume of experience and other qualifications of the individuals responsible for this project. Please specify their proposed roles in this project and identify a project manager.
4. Audited financial statement with an unqualified opinion prepared by a Certified Public Accountant (CPA) and conducted in accordance with Generally Accepted Accounting Principles (GAAP)
 - a. Must indicate whether agency or firm received more than \$500,000 in federal funds no matter what program
5. Copy of IRS Determination Letter of Tax-Exempt Status
6. Signed Application Certification Form, and Signed Advertisement Form.

Monitoring Process

The City will systemically review any on-going funded project for progress in carrying out its activities in a timely manner with adequate control over program and financial performance, as described in its application and its funding agreement with the City.

This monitoring process will include, but is not limited to, the following:

1. On-site inspections of the project by the City.
2. Project progress reports with updated budgets and expenditure summaries from the funding recipient.
3. Inspection of financial records to ensure the recipient accounts separately for its receipt and expenditures of each funding source for the project. The recipient must provide to the City an audited financial statement covering the project period.

4. Access to the recipient's records by Federal, State and City funding sources to ensure that the records meet full compliance with appropriate guidelines.

To be considered for funding all proposals must be received by 3:00 p.m. on May 22, 2020.

Applications should be emailed to Sonyé Randolph at srandolph@burlingtonnc.gov titled, "CDBG-CV Proposal"

The City will inform the non-profit entity within 24 hours of the deadline if additional information is needed or if the non-profit fails to meet the basic criteria for funding consideration. Non-profits will have 48 hours to correct any deficiency in their application or submit additional information. Should the non-profit fail to correct the deficiency in their application within the specified time period, the City may determine that the proposal will not qualify for funding consideration.

Grant Information Session

The City will host a Zoom meeting on Monday, May 11, 2020 at 6 pm. The meeting is optional and will describe the application and answer any questions applicants may have. To attend the meeting, please email Sonyé Randolph at srandolph@burlingtonnc.gov to be sent a link with the Zoom meeting information.