

City of San Marcos  
Community Development Block Grant  
**2021 Project Application**



City of San Marcos  
Planning and Development Services Department  
630 East Hopkins  
San Marcos TX 78666

<http://sanmarcostx.gov/1496/Current-Open-Applications>

For more information: Carol Griffith 512.393.8147 [cgriffith@sanmarcostx.gov](mailto:cgriffith@sanmarcostx.gov)

## APPLICANT INSTRUCTIONS

*Persons with limited English proficiency may request assistance by contacting the City at 512-805-2644. (Las personas con habilidad limitada de Inglés puede solicitar la asistencia poniéndose en contacto con la Ciudad en 512-805-2644.)*

Thank you for your interest in the City of San Marcos' Community Development Block Grant (CDBG) Program. The City of San Marcos will receive \$766,482 in Community Development Block Grant (CDBG) funding from the Department of Housing and Urban Development (HUD) for the program year beginning October 1, 2021, and ending September 30, 2022. The City will also re-allocate \$56,932.87 in unexpended CDBG funds from prior years, for a program year total of \$823,414.87.

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for these meetings should contact the City of San Marcos ADA Coordinator at 512-393-8000(voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be sent by e-mail to [ADArequest@sanmarcostx.gov](mailto:ADArequest@sanmarcostx.gov)

## APPLICATION INFORMATION

2021 Application Period: May 23, 2021 through June 18, 2021

**APPLICATION SUBMISSION DEADLINE: JUNE 18, 2021 AT 5:00 PM**

**Submit one signed application electronically to: [cdbg@sanmarcostx.gov](mailto:cdbg@sanmarcostx.gov)**

Please call to verify your application has been received: Carol Griffith, 512-393-8147

## PROJECT ELIGIBILITY

Organizations may propose more than one program or project in separate applications.

### High Priority Needs

Proposed projects must address one of the High Priority Needs. The following are currently established as High Priority Needs for the City of San Marcos, as stated in the draft 2020-2024 Consolidated Plan:

- Affordable Housing
- Public Services
- Public Facilities

**Not everything in these categories can be funded through CDBG.** Please refer to the Guide to National Objectives and Eligible Activities for CDBG Entitlement Communities for descriptions of projects that can be funded through CDBG. It can be found at the following link: <https://www.hudexchange.info/resource/89/community-development-block-grant-program-cdbg-guide-to-national-objectives-and-eligible-activities-for-entitlement-communities/>

### National Objectives

All funded projects must also meet one of the three CDBG program National Objectives:

- Benefit low to moderate income individuals or families
- Eliminate slum or blight
- Urgent Need (such as disaster recovery)

## APPLICATIONS ARE PUBLIC RECORDS

Once an application is submitted to the City, it becomes a public record and as such is open for public review. All or part of the application may be posted on the City's webpage and included in City Council packet materials. Please keep this in mind when submitting personal information for your staff, board, or clients.

## APPLICATION CALENDAR AND CITIZEN PARTICIPATION

The City of San Marcos values the input of its citizens and offers the following opportunities to participate in the preparation of the annual Action Plan. Scheduled dates and venues are subject to change. Workshops will be held virtually due to the current status of the COVID-19 pandemic.

Please check the website <http://sanmarcostx.gov/1496/Current-Open-Applications> for the latest information and for instructions on joining a virtual meeting.

- Applicant Workshop – **May 27, 2020 at 10:00 a.m. (virtually)**
- Stakeholder's Workshop – **May 27, 2020 at 6:00 p.m. (virtually)**
- First Review of Applications – **June 16, 2020 at the City Council meeting**
- City Council 2021 Funding Allocations– **August 3, 2020 at the City Council meeting**

## FUNDING AWARDS

Submitting a complete application does not guarantee that your request will be funded. The CDBG grant can fund only the actual, allowable, and reasonable costs of a proposed project, and requests for funding generally exceed the amount of funding available. Funding allocations are decided by the City Council, subject to HUD approval.

## AVAILABILITY OF FUNDS

Funds awarded for the 2021 program year become available after October 1, 2021. The organization's Subrecipient Agreement with the City must be fully executed prior to the expenditure or commitment of program funds. The appropriate level of environmental review must be completed by CDBG staff before any funds are expended or obligated. Environmental reviews typically take 45 to 60 days to complete for small construction projects and about 15 days for projects that are not likely to have a physical impact on the environment. **No reimbursement will be possible for goods purchased or contracts executed prior to meeting these requirements.**

## ORGANIZATION ELIGIBILITY REQUIREMENTS

- Organizations applying for Public Services funding must be a public or private non-profit agency, a public housing authority, a City of San Marcos department, or other government entity.
- Non-profit agencies must be established, operating agencies as evidenced through documentation required in the application. Exhibits to show tax exempt status are required.
- Faith based agencies are eligible to apply on the same basis as other non-profit organizations. However, CDBG funds cannot be used to support worship, proselytizing, or religious instruction. Religious activities must be offered separately, in time or location, from the CDBG supported activity. Participation in the religious activity must be voluntary for the beneficiaries of the CDBG-funded project. Projects operated by faith-based agencies must be available to all community members and not restricted to the organization's membership or congregation.

## NON-DISCRIMINATION AND ACCESSIBILITY

Each agency receiving CDBG funds must:

- Provide assurance that it will conduct its business in compliance with the non-discrimination requirements of the County, State, and Federal governments as applicable.
- Have Equal Opportunity in Employment policies.

- Agree to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 as amended by Executive Order 12259, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

## FINANCIAL CAPACITY AND AUDITING REQUIREMENTS

The *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* issued by the federal Office of Management & Budget (OMB) requires that any organization that expends \$750,000 or more in federal financial assistance in a fiscal year must secure an annual audited financial statement.

The City has established the following financial statement requirements for organizations assisted with CDBG program funds, based on the total assets of the applicant. The term “total assets” is defined to mean the total amount of liquid assets that is documented to be available to the Subrecipient at the time the funding is approved.

- A. CPA preparation of financial records is not required if the Subrecipient has total assets of \$15,000 or less in value;
- B. A compiled financial statement is required if Subrecipient has total assets greater than \$15,000 and less than or equal to \$100,000 in value.
- C. A reviewed financial statement is required if Subrecipient has total assets greater than \$100,000 and less than or equal to \$200,000 in value.
- D. An audited financial statement is required if Subrecipient has total assets of more than \$200,000 in value. (In an “Audited” statement a CPA provides an in-depth study of the records, organizes them into a statement, and issues an opinion to their validity.)

**Organizations receiving CDBG funds must submit the required financial statement which has been prepared by a Certified Public Accountant to the City within nine months from the organization’s fiscal year end and not more than 30 days after the organization’s receipt of the statement.**

## INSURANCE AND BONDING

Agencies receiving CDBG funding must provide Workers’ Compensation Insurance coverage for all of its employees involved in the performance of the funded project. At the time of contract signing, funded agencies must provide evidence of insurance including, but not limited to, multi-peril property and liability, worker’s compensation, automobile liability, and other coverage as deemed necessary by the City. In addition, upon funding the City of San Marcos, Officers, Employees and agents must be added as additional insured to the policy.

## PROJECT IMPLEMENTATION SCHEDULE AND PERFORMANCE MEASUREMENT GOALS

Performance measurement is an effective management technique that enables those who receive grant funds (Subrecipients) and the City to analyze the benefits of their investments. It is a mechanism that tracks the progression of projects and evaluates their overall effectiveness and success in meeting project goals. **One of the most important overall goals in planning a CDBG project is the completion of the project in a timely manner.**

The City is monitored by HUD to ensure that the CDBG grant program has benefited low-to-moderate-income families; one success measurement that the City must meet is the expenditure of its program funds in a timely manner. The City must take into account the project schedules for each project that is proposed to ensure that the overall CDBG program will comply with its federally mandated timeliness ratio. Thus, it is critical that each applicant accurately forecasts the time that will be involved in completing each step of a proposed project.

**Please use the format included in this application to outline the expected Implementation Schedule for your project.** This document will be incorporated into the Subrecipient Agreement for funded projects. The City will monitor the performance of Subrecipients against the goals and performance standards established by this document. Substandard performance as determined by the City will constitute noncompliance with the Subrecipient Agreement. If action to correct such substandard performance is not taken by the Subrecipient with a reasonable period of time after notification by the City, contract suspension or termination processes may be initiated.

## NOTES FOR ORGANIZATIONS RECEIVING FEDERAL FUNDS

### Subrecipient Registration Requirements:

- Organizations receiving CDBG funding (Subrecipients) must obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number. If you do not have a DUNS number, go to <http://fedgov.dnb.com/webform> to register.
- Funded applicants must also have an active registration with System of Award Management (SAM). To register with SAM, go to [www.sam.gov](http://www.sam.gov) to register. **You must have a DUNS number prior to registering with SAM.** Subrecipients must provide proof of SAM registration prior to the execution of a Subrecipient Agreement. This is required when federal funds are being utilized.

### INCOME LIMITS

Income limits are established by HUD on an annual basis for the purpose of establishing CDBG grant eligibility. The limits are based on household size. Income is calculated for every adult 18 and older residing in the household. HUD considers 80% and below to be low income. San Marcos CDBG Area Median Income (AMI) Limits are based on the Median Family Income for the Austin/Round Rock Metropolitan Statistical Area (MSA). The Median Family Income for the Austin-Round Rock MSA is \$98,900, which will become effective for CDBG programs June 1, 2021.

Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
80% AMI	\$55,400	\$63,300	\$71,200	\$79,100	\$85,450	\$91,800	\$98,100	\$104,450

**SUPPLEMENTAL ITEM CHECKLIST**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**  
**DUE DATE: JUNE 18, 2021**

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**Submit one copy of the following items:**

**Required:**

- ☐ Board of Directors list including position/title on board.
- ☐ Contact numbers for Board Chair or President and Treasurer.
- ☐ Resolution or Board Minutes showing approval to submit an application and designation of person who will sign documents on behalf of the organization.
- ☐ Organization Chart
- ☐ Articles of Incorporation
- ☐ Bylaws
- ☐ Tax Exempt Determination Letter (for non-profit organizations)
- ☐ Organization's Current Budget and Proposed Budget for next fiscal year
- ☐ Most Recent audit or CPA prepared review.
- ☐ Description of employees, board members, volunteers who will work with the project
- ☐ Non-discrimination Policy Statement

**If applicable:**

- ☐ Service area boundary for area benefit projects
- ☐ Fee schedule or structure for the project proposed for funding
- ☐ Copy of program application if one is used to select beneficiaries
- ☐ Description of how applicant income will be determined if there are direct beneficiaries
- ☐ Detailed explanation of any lawsuits, judgments, or bankruptcy proceedings
- ☐ Job descriptions for new positions expected to be filled using CDBG funding

**CITY OF SAN MARCOS  
2021 CDBG APPLICATION**



**NOTE:** This form is not to be used for applicants seeking funds to support programs operated by non-profit organizations. A separate application form for “Public Services” is available and should be used for projects of that nature.

**Due Date: June 18, 2021**

**I. APPLICANT CONTACT INFORMATION**

Applicant Organization: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Telephone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Physical Address, if different from mailing address: \_\_\_\_\_

Contact E-Mail Address: \_\_\_\_\_ Web Address: \_\_\_\_\_

Who is authorized to execute program documents? \_\_\_\_\_

**II. APPLICATION SUMMARY INFORMATION**

Project Name: \_\_\_\_\_

Amount of CDBG Funds Requested: \_\_\_\_\_

Project Location: \_\_\_\_\_

**High Priority Need**

\_\_\_\_\_ Affordable Housing

\_\_\_\_\_ Public Services [Use the Public Services Application]

\_\_\_\_\_ Public Facilities

\_\_\_\_\_ Economic Development

**National Objective**

\_\_\_\_\_ Benefit to Low/Mod Income Persons

\_\_\_\_\_ Slum or Blight Elimination/Prevention

\_\_\_\_\_ Urgent Need (such as disaster)

Will all CDBG funds for this project be expended by July 15, 2021? \_\_\_\_\_ Yes \_\_\_\_\_ No

If “No”, what percent is expected to be completed by that date? \_\_\_\_\_

### III. PROJECT DESCRIPTION

#### SUMMARY

Summarize how CDBG funds are proposed to be used:

#### PROJECT SCOPE:

Please check all statements that apply to this project:

- ☐ All project design work is complete for this project (plans, specifications, etc.)
- ☐ This project will include selection of professional service providers (architect, engineer, etc.)
- ☐ This project includes acquisition of real property
- ☐ This project includes the rehabilitation of existing buildings
- ☐ This project includes new construction
- ☐ This project includes demolition of existing structures
- ☐ This project includes a public facility (such as a senior center)

#### ACCOMPLISHMENTS

Once the project is completed, how can its success be measured?



### **NEED AND JUSTIFICATION**

Describe the need for this project.

### **IMPACT**

Describe in detail the impact this project will have on the identified need and on San Marcos residents.

### **EXPERIENCE OR REFERENCES**

Describe your experience in implementing a similar project, or if this is a first time venture, provide an explanation of why you believe you will be successful in implementation. You may attach up to three letters of reference.

#### IV. BENEFICIARIES

The CDBG program allows several different methods of documenting that a project benefits low to moderate income persons. *Direct Benefit* projects provide services directly to an individual or family; for example, a housing rehabilitation project is a Direct Benefit project. *Area Benefit* projects benefit a geographic location; for example, a Sidewalk Project.

##### DIRECT BENEFIT PROJECTS:

*Applicant must be able to document that at least 51% of the beneficiaries have an annual income that is at or below 80% of the Area Median Income and are San Marcos residents.*

1. How many unduplicated individuals or households are expected to be served by this project? \_\_\_\_\_

**Presumed Benefit:** Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to benefit a population in which at least 51% of the population is low-to-moderate income. Individual income verification is not required, although residency and other client statistics must be collected. The Presumed Benefit categories are:

a. Elderly persons (62 or older)	e. Battered spouses
b. Homeless persons	f. Abused children
c. Persons living with AIDS	g. Migrant farm workers
d. Illiterate persons (includes non-English speakers)	h. Severely disabled adults (Census Bureau definition)

2. Will all of the program's beneficiaries be in a Presumed Benefit Category? \_\_\_\_ Yes or \_\_\_\_ No

If "yes", list the categories: \_\_\_\_\_

3. If the program's beneficiaries cannot be considered "Presumed", how will income eligibility be determined?

\_\_\_\_ Projection of the individual or family's income based on family size; or,

\_\_\_\_ Other. Please provide details of how eligibility will be determined:

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##### AREA BENEFIT PROJECTS:

*Some projects, such as a senior center or a park, serve an area rather than individual persons. HUD defines an area benefit project as an activity which is available to benefit all of the residents of an area which is primarily residential. In order to meet the eligibility requirement of benefitting low to moderate persons, the area served must be an area where at least 51% of the residents are low/mod income persons. Most, but not all, San Marcos residential neighborhoods are low/mod.*

1. Will this project be available to benefit all persons in the service area? \_\_\_\_ Yes \_\_\_\_ No

2. Are the neighborhoods that will benefit from this project primarily residential? \_\_\_\_ Yes \_\_\_\_ No

If "No", please explain: \_\_\_\_\_

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3. What neighborhoods will benefit from this project? Please list either individual neighborhoods or describe the boundaries that will define the service area:

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## PUBLIC FACILITY PROJECTS

*In the CDBG program, Public Facilities are broadly interpreted to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by non-profit organizations, and operated so as to be open to the general public. Facilities providing shelter for persons having special needs are also considered to be public facilities.*

- *Public facility projects cannot include the costs of operating and maintaining public facilities, costs of purchasing construction equipment, the costs of furnishings and other personal items such as uniforms, or new construction of public housing.*
- *Public facilities are intended to benefit all the residents of an area; thus, in most cases it must serve an area having at least 51% low/mod population.*
- *Public facilities owned by a nonprofit must be made available to the general public and must be open for use by the general public during all normal hours of operation.*
- *Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding low/mod income persons from using the facilities, are not permitted.*

1. Who is/will be the owner of the facility? \_\_\_\_\_
2. Will fees be charged for the use of the facility? \_\_\_\_\_ Yes or \_\_\_\_\_ No  
*If yes, please attach a fee schedule.*
3. How will the facility be made available to the general public? \_\_\_\_\_  
\_\_\_\_\_

## V. PROJECT BUDGET

*The CDBG program requires that a project be completed and serving beneficiaries within a reasonable time – generally within one year of award date. Thus it is important for any additional funds needed to complete the project to be secured prior to award of CDBG funds or shortly thereafter.*

1. Estimated total project cost: \$ \_\_\_\_\_ CDBG Funds requested: \$ \_\_\_\_\_
2. Funds from all other sources that will be available on or before October 1, 2021: \$ \_\_\_\_\_
3. How will budget shortfalls be addressed? \_\_\_\_\_  
\_\_\_\_\_
4. Are any additional funds for this project being requested from the City of San Marcos?  
\_\_\_\_\_ Yes \_\_\_\_\_ No. If “yes”, please describe type and amount requested: \$ \_\_\_\_\_  
Type of funds requested: \_\_\_\_\_

## FUNDING HISTORY

1. Has your organization received CDBG funding in the past 5 years? \_\_\_\_\_ Yes \_\_\_\_\_ No
2. If yes, how were the funds used? \_\_\_\_\_  
\_\_\_\_\_
3. Is the project complete? \_\_\_\_\_ Yes \_\_\_\_\_ No If no, explain status and expected completion date:  
\_\_\_\_\_  
\_\_\_\_\_

## LINE ITEM BUDGET

Please use the following format to present your proposed line item budget. Secured funds are funds on-hand, pledged, or awarded. City Council has waived fees for Construction Permitting and Development Code Processes for CDBG projects. Impact fee charges, when applicable, are not waived. Round budget numbers to the nearest dollar.

CDBG funds cannot be spent or obligated until final environmental clearance for the project has been obtained. HUD has interpreted "obligated" to mean that we cannot execute contracts or take bids as that will "obligate" funds. The environmental review is generally prepared by the City's CDBG staff. **Please include \$1,000 for environmental fees for rehabilitation, new construction, demolition or clearance, and land acquisition projects.** No environmental expenses are required for professional service projects that will not include construction.

Budget Item	Total Budget	CDBG Funding Proposed	Other Funding Source(s)	Secured Funds available at project start	Additional Funds Needed to Complete Project
<b>Project Soft Costs</b>					
Environmental Review Costs					
Professional Services					
Publication Costs					
<b>Project Hard Costs</b>					
Environmental Testing (lead paint, etc.)					
Dumpsters / fencing/ portable toilets, etc.					
Demolition / clearance expenses					
Rehabilitation or new construction costs					
Property acquisition					
Other					
Other					
<b>BUDGET TOTAL</b>					

## VI. PROJECT IMPLEMENTATION SCHEDULE WITH PERFORMANCE GOALS

*The first activity should be environmental review. Projects that do not impact the physical environment generally take about 15 days for environmental review – this would include public services, professional services, homebuyer assistance.*

*Projects that will potentially have a physical impact on the environment (construction or demolition, for example) generally take 45 to 60 days for environmental review. If the project is located in a FEMA floodplain, add 30 additional days.*

*Please include reasonable time for procurement activities, including procurement of professional service providers.*

**Projected Start Date:** \_\_\_\_\_ **Projected Completion Date:** \_\_\_\_\_

Projected Implementation Schedule with Performance Goals			
Activity Description	Start Month/Year	End Month/Year	Performance Measurement Goal
<i>Example: Procurement of Architect</i>	<i>October 2021</i>	<i>December 2021</i>	<i>Contract executed</i>
City Environmental Review	October 2021		Approval to use funds

## VII. ORGANIZATION INFORMATION

### REQUIRED ATTACHMENTS

Please attach the following documents with your application, as applicable:

- ☐ Organizational Chart
- ☐ Articles of Incorporation
- ☐ Proof of Tax Exempt status
- ☐ Current year budget
- ☐ Most recent balance sheet and financial statement
- ☐ A listing of key staff and employees who will work directly with the proposed project, their primary job duties, and other pertinent information relating to your proposed project.
- ☐ If CDBG funds will be used to hire new personnel, please provide a brief job description of the proposed position(s).
- ☐ A listing of your board of directors, including position or title on the board. Provide a contact number for the Chair or President and Treasurer. Note: Information provided will be available for public review.
- ☐ Board minutes and resolution authorizing application submittal and specifying who will sign documents. *(The organization's governing board must approve the submittal of this funding application and designate a person who is authorized to execute program documents.)*

### BACKGROUND INFORMATION

1. Organization Type:  
☐ 501(c) Non-Profit Corporation    ☐ Public Corporation    ☐ Government Entity  
Other: \_\_\_\_\_
2. Name and title of Board of Directors Chair or President: \_\_\_\_\_
3. How many years has your organization been in business? \_\_\_\_\_
4. Organization's Taxpayer Identification Number (EIN): \_\_\_\_\_
5. Organization's Dun and Bradstreet DUNS Number: \_\_\_\_\_
6. Is organization currently registered in the federal System for Award Management (SAM)? ☐ Yes ☐ No

### FINANCIAL INFORMATION

1. What is the date of your fiscal year end? \_\_\_\_\_
2. Does your organization have a purchasing policy? ☐ Yes ☐ No
3. Has your organization currently or within the past five years had any litigation that is pending or has been resolved?  
☐ Yes ☐ No  
*If "Yes", please attach a summary of the litigation and its status; including any outstanding judgments.*
4. Has your organization filed a petition for bankruptcy or has a petition for bankruptcy been filed against your organization?  
☐ Yes ☐ No  
*If "Yes", please attach an explanation that includes the current status.*

5. During the last fiscal year did your organization spend \$750,000 or more in Federal financial assistance?  
☐ Yes      ☐ No
6. What level of financial review does your organization obtain from an independent source? Select from the following options:
- |   |   |
|---|---|
| <input type="checkbox"/> Single Audit                 | <input type="checkbox"/> Audited Financial Statement  |
| <input type="checkbox"/> Reviewed Financial Statement | <input type="checkbox"/> Compiled Financial Statement |
| <input type="checkbox"/> No independent review        | <input type="checkbox"/> Other (describe):            |
7. What period was covered by your most recent financial review? \_\_\_\_\_

## PERSONNEL AND POLICIES

1. Name and title of your chief administrator \_\_\_\_\_  
Number of years in this position? \_\_\_\_\_
2. Total number of current employees at all locations \_\_\_\_\_
3. Total number of current employees who will be involved in this project \_\_\_\_\_
4. Total number of new employees expected to be hired for the project \_\_\_\_\_
5. Does your organization have a personnel policy manual?      \_\_\_\_ Yes                      \_\_\_\_ No  
Does it include a procedure for filing grievances?              \_\_\_\_ Yes                      \_\_\_\_ No  
Does it include a non-discrimination clause?                      \_\_\_\_ Yes                      \_\_\_\_ No
6. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?  
\_\_\_\_ Yes              \_\_\_\_ No
7. Separation of duties for financial transactions regarding this project (respond with job title):
  - a. Who will approve payment of incurred expenses? \_\_\_\_\_
  - b. Who will actually prepare the payment check? \_\_\_\_\_
  - c. Who will sign checks paying project expenses? \_\_\_\_\_
  - d. Who posts the transaction to your financial records? \_\_\_\_\_
  - e. Who reconciles monthly bank statements? \_\_\_\_\_

## INSURANCE, BONDING, AND WORKER'S COMPENSATION

1. Does your organization have liability insurance coverage? ☐ Yes ☐ No
2. If yes, in what amount? \_\_\_\_\_
3. Does your organization pay worker's compensation in accordance with Federal and state laws?  
☐ Yes ☐ No ☐ N/A
4. Does your organization have fidelity bond coverage for principal staff members who handle the organization's accounts?  
☐ Yes ☐ No
5. Will vehicles owned by the organization be used in conjunction with the proposed project?  
☐ Yes ☐ No
6. If yes, what level of liability insurance is maintained on the vehicles? \_\_\_\_\_



## **VIII. CONFLICTS OF INTEREST (24 CFR 570.611; 24 CFR 85.36; AND 24 CFR 84.42)**

Two sets of conflict of interest provisions apply to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (*funded applicants*), is the procurement regulation found in the *Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations*. The second set of provisions is located at 24 CFR 570.611(a)(2).

With respect to procurement activities, the subrecipient must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

1. Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
  - An employee, officer, or agent of the subrecipient;
  - Any member of an employee's, officer's, or agent's immediate family;
  - An employee's, agent's, or officer's partner; or
  - An organization which employs or is about to employ any of the persons listed in the preceding sections.
2. Require that employees, agents, and officers of the subrecipient neither solicit nor accept gratuities, favors, or anything of value from contractors or parties to sub-agreements. However, subrecipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.
3. Provide for disciplinary actions to be applied for any violation of such standards by employees, agents or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent, or officer of the subrecipient who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

- The requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partners.
- The requirement applies to such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis.

## CONFLICT OF INTEREST QUESTIONNAIRE

*NOTE: For the purpose of this form, a "covered person" includes any person who is an employee, agent, consultant, officer or elected or appointed official of the City of San Marcos, your organization, or any designated public agency.*

Name of Organization: \_\_\_\_\_

1. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

Yes \_\_\_\_\_ No \_\_\_\_\_ If "No" is checked, please explain how you will comply with this requirement:

\_\_\_\_\_

2. Are any of your Board Members or employees that are responsible for carrying out this project or members of their immediate families or their business associates also:

a. Employed by the City of San Marcos? Yes \_\_\_\_\_ No \_\_\_\_\_

b. Members of or closely related to members of the San Marcos City Council? Yes \_\_\_\_\_ No \_\_\_\_\_

c. Members of or closely related to an employee of the City of San Marcos? Yes \_\_\_\_\_ No \_\_\_\_\_

d. Current beneficiaries or related to beneficiaries of the project for which funds are requested?

Yes \_\_\_\_\_ No \_\_\_\_\_

e. Paid providers of goods or services to the program or having other financial interest in the program or related to such individuals? Yes \_\_\_\_\_ No \_\_\_\_\_

3. For **each** relationship described above, please answer the following questions: (attach additional page if necessary)

a. Name of employee or official: \_\_\_\_\_

b. Is this person receiving or likely to receive taxable income from your organization?

Yes \_\_\_\_\_ No \_\_\_\_\_

c. Is your organization receiving or likely to receive taxable income from or at the direction of the employee or official AND the taxable income is not from the City of San Marcos?

Yes \_\_\_\_\_ No \_\_\_\_\_

d. Is your organization affiliated with a corporation or other business entity in which the employee or official serves as an officer or director, or holds an ownership interest of 10% or more?

Yes \_\_\_\_\_ No \_\_\_\_\_

4. Describe any other affiliation or business relationship that might cause a conflict of interest with respect to CDBG funds and activities. \_\_\_\_\_

5. Will any of your organization's employees, officers, board members, or members of their immediate family or business partners have a financial interest in any contract, subcontract, or agreement regarding CDBG funded activities?

Yes \_\_\_\_\_ No \_\_\_\_\_. If yes, please attach an explanation.

## **IX. APPLICANT ASSURANCES AND CERTIFICATIONS**

The applicant hereby assures and certifies with respect to this project or program, by the submission of this application, that the following are true statements:

1. It possesses legal authority to apply for the grant and to finance the proposed request; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, utilizing adequate internal controls and maintaining necessary source documentation for all costs incurred.
3. If it expends \$750,000 or more of federal funds in a fiscal year, it will comply with the Single Audit Act of 1984.
4. It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards, and Executive Order 11990, relating to protection of wetlands. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, and approved December 31, 1976. Section 102(a).
5. It will have sufficient funds available or the ability to obtain the non-federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purposes constructed.
6. It will give the City and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
7. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the City that funds have been approved and that the project will be performed to completion with reasonable diligence.
8. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
9. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646), which provides for fair and equitable treatment of persons displaced as a result of federal and federally-assisted programs.
10. It will comply with the provisions of the Hatch Act, which limit the political activity of employees.
11. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply.
12. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the city/federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be utilized in the project is under consideration for listing by the EPA.
13. It will assist the city/federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.).

14. It will comply with Texas Civil Statutes, Article 5996a, by insuring that no officer, employee, or member of the applicant's governing body or of the applicant's contractor shall vote or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.
15. It will insure that all information collected, assembled or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Texas Civil Statutes, Article 6252-17a, unless otherwise expressly provided by law.
16. It will conduct and administer the program in conformity with the Fair Housing Act (42 USC Section 3901 et. Seq.) and that it will affirmatively further fair housing.
17. It will minimize displacement of persons as a result of activities assisted with CDBG funds. In the event that displacement of residential dwellings will occur in connection with a grant-assisted project, it will follow a residential anti-displacement and relocation assistance plan as specified by the City of San Marcos.
18. It certifies that it is not now, nor has it ever been, on the Federal List of Debarred Contractors.
19. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of LMI, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless (a) such funds are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, applicant certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (a).
20. It agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart J and subpart K of these regulations, except that (1) the Agency does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) Agency does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. Agency also agrees to comply with all other applicable Federal, State, and local laws, regulations, and policies governing the funds provided. Agency further agrees to utilize funds available to supplement rather than supplant funds otherwise available. Agency shall comply with all applicable Federal laws, regulations, and requirements, which include compliance with the provisions of the HCD Act and all rules, regulations, guidelines, and circulars promulgated by the various Federal departments, agencies, administrations, and commissions relating to the CDBG Program. The applicable laws and regulations include, but are not limited to:
  - 24 CFR Part 570;
  - 24 CFR Parts 84 and 85;
  - The Davis-Bacon Fair Labor Standards Act;
  - The Contract Work Hours and Safety Standards Act of 1962;
  - Copeland "Anti-Kickback" Act of 1934;
  - Sections 104(b) and 109 of the Housing and Community Development Act of 1974;
  - Section 3 of the Housing and Urban Development Act of 1968;
  - Equal employment opportunity and minority business enterprise regulations established in 24 CFR part 570.904;
  - Non-discrimination in employment, established by Executive Order 11246 (as amended by Executive Orders 11375 and 12086);
  - Section 504 of the Rehabilitation Act of 1973 Uniform Federal Accessibility Standards;
  - The Architectural Barriers Act of 1968;
  - The Americans with Disabilities Act (ADA) of 1990;
  - The Age Discrimination Act of 1975, as amended;

- National Environmental Policy of 1969 (42 USC 4321 et seq.) as amended;
- Lead Based paint regulations established in 24 CFR Parts 35, 570.608, and 24 CFR 982.401;
- Asbestos guidelines established in CPD Notice 90-44;
- HUD Environmental Criteria and Standards (24 CFR Part 51);
- The Energy Policy and Conservation Act (Public Law 94-163) and 24 CFR Part 39
- Flood Disaster Protection Act of 1973;
- Colorado House Bill 06-1023 and 06-1043;
- Procurement Standards (2 CFR 200.322);
- Rights to Inventions Made Under a Contract or Agreement (37 CFR 401.2 (a));
- Energy Efficiency (2 CFR Part 200 Appendix II); and
- Recycling (2 CFR Part 200 Appendix II).

### **CERTIFICATIONS REGARDING LOBBYING:**

21. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
22. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form – “Disclosure Form to Report Lobbying”, in accordance with its instructions.
23. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
24. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### **GENERAL CERTIFICATIONS:**

25. The information, exhibits, and schedules contained in this application are true and accurate statements and represent fairly the financial condition of our organization;
26. Our organization is eligible to receive federal funding and has not been placed in a debarred or otherwise ineligible status under the provisions of CFR Part 24;
27. Our organization prohibits discrimination in accordance with Title VI of the Civil Rights Act of 1964; and,
28. Our governing body has duly authorized submission of this document. If funded, we agree to comply with the procedures outlined in the “Playing by the Rules” handbook that will be supplied by the City of San Marcos.

I, the duly authorized representative of the applicant organization, certify that the foregoing statements are true to the best of my knowledge and belief:

#### **CERTIFIED BY:**

Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

Organization Name: \_\_\_\_\_

## **Application Evaluation Criteria**

Applications will be evaluated based on, but not necessarily limited to the following criteria:

### **1. Activity Need and Justification: Maximum of 25 Points**

a. Need - Maximum of 15 Points: The activity will be evaluated on the documentation and justification of the need for the activity. Excellent, 15 points; good, 10 points; average, 5 points; and poor, 0 points.

b. Consolidated Plan Priority - Maximum of 5 Points: Activities addressing high priorities, as identified in the Consolidated Plan, will be awarded 5 points.

### **2. Impact and Cost Effectiveness: Maximum of 30 Points**

The activity will be evaluated on:

- amount of overhead compared to program costs
- impact on the identified need
- implementation costs compared to impact
- use of available resources (financial, staff, volunteer)
- leveraged resources

### **3. Implementation: Maximum of 25 Points**

Considerations include:

- The application demonstrates that resources needed to manage the proposed activity are available and ready.
- Applicant has clearly defined objectives focusing on results and measurable outcomes vs. only program activities and numbers served.
- The commitment for operation and maintenance, where applicable, has been certified.

### **4. Past Performance or Letters of Reference: Maximum of 20 Points**

- Applicants must not have no outstanding audit deficiencies, findings, or disallowed costs from previous projects or activities.
- If previously funded by the City within the past three years, the applicant has a strong record in managing previous funds and maintaining regulatory compliance. This includes, but is not limited to: meeting proposed goals, promptly submitting accurate reports and reimbursement requests, maintaining financial and program records in compliance with regulations and expending funds in a timely manner.
- If not previously funded within the past three years, the applicant has experience and performed well in implementing and administering grants from other funders for this program or a similar program OR The applicant has submitted up to three letters of recommendation for funding from others knowledgeable of their abilities. The applicant demonstrates the viability of the organization.

<b>CDBG RISK ASSESSMENT FORM</b>	<b>Max Points</b>
<b>1. Project Complexity</b>	<b>5</b>
Description of program, size of dollar amount requested, requested funding as a percent of Total Program Budget	
<b>2. Project Experience</b>	<b>10</b>
Subrecipient's prior experience with this size and type project 0-2 years = 10 points 3-5 years = 5 points > 5 years = 0 points	
<b>3. Regulatory Compliance</b>	<b>15</b>
Davis-Bacon Act, Acquisition, Relocation, Historic Preservation = 3 points each Lead-Based Paint = 3 points	
<b>4A. Housing Project</b>	<b>15</b>
a. Computing household income to qualify beneficiaries = 5 points	
b. Number of units > 7 = 5 points	
b. New construction = 5 points Rehabilitation = 2.5 points	
<b>4B. Economic Development</b>	<b>15</b>
a. Determining eligibility for beneficiaries = 5 points	
b. > 5 jobs to be created or retained = 5 points	
c. Providing direct loans = 5 points Providing direct grants = 3 points Providing technical assistance = 0 points	
<b>5. Potential Environmental Concerns</b>	<b>5</b>
"yes" answers to environmental questions in application	
<b>6. Program or Project Funding</b>	<b>5</b>
CDBG funds only = 5 points (0 if CPA statement* provided)	
Other sources of funds indicated, but not committed = 2.5 points (0 if CPA statement* provided)	
Other funds committed = 0 points	
*CPA statement that the entity has enough financial capacity to complete the project or program on a reimbursement basis	

<b>7. Subrecipient Organization</b>	<b>7.5</b>
Newly created entity = 5 points	
Well established, but no prior CDBG or Federal experience = 2.5 points	
Prior experience with CDBG or other Federal programs = 0 points	
check: If they say they currently have federal grants, are they listed in the financial statement by CFDA #? If not they are not in compliance with regulations.	
<b>8. Subrecipient History, If Previously Funded</b>	<b>22.5</b>
Monitoring findings or concerns in both of the past two years = 5 points (fixed at time of monitoring = 2.5 points)	
Monitoring findings or concerns in year one only of the past two years = 2.5 points (fixed at time of monitoring = 1 point)	
Project over budget in both of the past two years = 5 points	
Project over budget in year one only of the past two years = 2.5 points	
Project exceeded schedule in both of the past two years= 5 points	
Project exceeded in year one only of the past two years = 2.5 points	
Ability to deliver project within budget and on schedule = 0 points	
Any special contract conditions needed = 2.5 points	
Substantiated citizen or beneficiary complaints in the past two years = 5 points	