



BAKERSFIELD

THE SOUND OF *Something Better*

CITY OF BAKERSFIELD

ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT FUNDING HANDBOOK FOR NON-PROFITS, HOUSING DEVELOPERS, AND

FOR-PROFIT ORGANIZATIONS - FISCAL YEAR 2022-23

MANUAL DE FINANCIAMIENTO (CDBG, HOME, ESG) - Año Fiscal 2022-23

Application Deadline: November 30, 2021, 3 P.M.

Fecha límite de solicitud: 30 de Noviembre de 2021, 3:00 p.m.

Para solicitar la traducción española, por favor póngase en contacto con la ciudad de Bakersfield Departamento de Desarrollo Comunitario en 1600 Truxtun Avenue, segundo piso, o llamando al 661.326.3765. (TDD (661) 321-9472, fax (661) 852-2138; email meaton@bakersfieldcity.us

TABLE OF CONTENTS

I. Introduction	I-3
II. Community Development Block Grant	II-1
III. HOME Investment Partnership Program	III-1
IV. Emergency Solutions Grant	IV-1
V. Appendices	
Business Plan (Attachment for All Applications)	Appendix A
Rental Project (Attachment for HOME Applications)	Appendix B
Sample Construction Bid Analysis Form	Appendix C
HOME Funding Rent Limits and Max Per Unit Subsidy	Appendix D
Current Low- and Moderate-Income Guidelines (for All Applications)	Appendix E
Low- and Moderate-Income Qualification Form	Appendix F
Income Self-Certification	Appendix G
Sample Resolutions	Appendix H
City's Indemnification and Insurance Requirements	Appendix I
Project Implementation Checklist (for All Applications)	Appendix J
Acquisition Checklist for HUD Funded Projects	Appendix K
Cost Reimbursement, Audit & Financial Reporting Standards	Appendix L
Rents & Tenant Eligibility	Appendix M
Sample Sources and Uses Statement	Appendix N
Performance Measurement	Appendix O
Certification Statement	Appendix P
Language Access Questionnaire	Appendix Q
CDBG Public Services Questionnaire	Appendix R
Map of Low- and Moderate-Income Areas	Appendix S
Activity Beneficiary Report	Appendix T
City of Bakersfield - ESG Program Performance Standards	Appendix U

INTRODUCTION

The City of Bakersfield as an entitlement community is responsible for the annual administration of three federally funded programs:

- Community Development Block Grant (CDBG),
- HOME Investment Partnership (HOME), and
- Emergency Solutions Grant (ESG).

The City is preparing to create its annual Action Plan (FY 2022-23) of the Consolidated Plan 2025 (ConPlan). The ConPlan describes eligible programs, projects, and activities to be undertaken with the funds anticipated each year through entitlement grants from the U.S. Department of Housing and Urban Development (HUD). Each year of the five-year plan, applications are sought from non-profits, housing developers, and for-profit entities interested in using the City's federal funds to carry out projects addressing the needs reflected in the ConPlan. The City's Fiscal Year (FY) starts July 1st and ends June 30th.

The following pages provide an overview, application process, and the standard application forms for the three funding programs.

2020-25 Consolidated Plan Goals

On April 08, 2020, the City Council approved the City of Bakersfield's FY2020-25 U. S. Department of Housing and Urban Development (HUD) Consolidated Plan. All project applications must be consistent with the goals outlined in the 2020-25 Consolidated Plan for HUD funds.

2020-25 Consolidated Plan Goals

1. Increase and preserve the supply of affordable housing for low-and-moderate income households.
2. Prevent and reduce homelessness.
3. Improve public infrastructure and facilities to promote safe and vibrant communities.
4. Foster community and economic development.
5. Enhance facilities and services for the non-homeless special needs population, including seniors, persons with disabilities, and persons living with HIV/AIDS.

Additional Resources

The City of Bakersfield has additional resources available for affordable housing projects. Current Requests for Proposals, which outline eligible projects, can be found on the City of Bakersfield website at www.bakersfieldcity.us. Once you access the City of Bakersfield homepage, select "Departments" > "Economic and Community Development" > "Affordable Housing, Community Development, & Homeless Prevention Services."

TENTATIVE TIMELINE

Below is a tentative timeline for the CDBG, HOME, and ESG funds application process. Once submitted, applications are reviewed by City staff to determine eligibility, and scored based on a number of factors, including HUD and program goals and objectives, ConPlan goals and objectives, and budgetary constraints. Then, the selected projects will be included in the Action Plan that must be approved by the City Council and HUD (following a public review period).

The City will not receive funding to distribute to selected applicants until at least September 2022 and potentially later. When the City receives funding, selected applicants must enter into agreements with the City of Bakersfield, and a City Project Manager will conduct an appropriate environmental review. Once the agreement, environmental review, and any other applicable pre-award requirements are met, the Project Manager will issue the selected organization a written Notice to Proceed. **DO NOT** commence spending for a project until your organization/agency receives a written Notice to Proceed. Any spending prior to a written Notice to Proceed will be considered ineligible for funding.

DATE	EVENT
11/30/2021	3:00 p.m. DEADLINE to Receive Applications for Funding
February/2022*	Proposed Activities (projects) for FY 22-23 Action Plan submitted to the City of Bakersfield Budget and Finance Committee, and Authorization to Publish 30 Day Public Notice is requested
March/2022	FY 22-23 Action Plan Public Notice Published and copies distributed to Libraries and posted to City of Bakersfield Website
April/2022	End of 30 Day Action Plan Public Review Period
April/2022*	City Council to Consider Approval of FY 22-23 Action Plan
May/2022	Deadline to Submit FY 22-23 Action Plan to HUD

*Note: Dates tentative, 2022 meeting dates are not scheduled until December 2021.

REQUIREMENTS FOR ALL FUNDING APPLICATIONS

- A. The completed application shall be on 8 1/2" x 11" white paper and organized in the order prescribed in the application section for each funding source described in this handbook. The original application **shall be bound** (a 3-ring binder is sufficient), tabbed, sequentially numbered, and contain a table of contents.
- B. The applicant must submit to the City **one original and one digital copy** of the application with a letter signed by a representative authorized by the applicant. The applicant must also attach to the letter the "certification statement" found in Appendix P. The letter should contain the name, title, and telephone number of a contact person knowledgeable of the proposal. The application package may be mailed or delivered to the address below (facsimiles will not be accepted). All applications must be received and time stamped by the City no later than **3:00 p.m. on November 30, 2021**. Mail or deliver your application to:

City of Bakersfield Economic and Community Development Department
Attn: Misty Eaton, Community Development Principal
1600 Truxtun Avenue, Floor 3
Bakersfield, CA 93301

- C. If the organization has a governing body (i.e., Board of Directors), the submitted application(s) must include a resolution from the agency's governing body, authorizing application for City assistance. Sample resolutions can be found in Appendix H.
- D. Additional questions regarding the application process, regulations or other programmatic issues, should be directed to Misty Eaton, Community Development Principal at the above address or by calling (661) 326-3765; fax (661) 852-2138; CA Relay 711, email meaton@bakersfieldcity.us.
- E. Economic and Community Development staff will review submitted applications to determine whether the application is complete. At a later date a letter will be sent to the applicant verifying that the application is complete or identifying any additional information needed to complete the staff analysis and assessment.
- F. Completing this application does not guarantee funding for any project. The applicant(s) should be aware that demand for funding is far greater than available funds. Funding for the proposed project is not awarded until an agreement is approved and executed by the Bakersfield City Council, the City has received funding from HUD, and the City has issued a written Notice to Proceed to the applicant. The City will not reimburse any part of the cost to apply, nor any expense incurred, prior to entering into an agreement with the City of Bakersfield and the issuance of a written Notice to Proceed.
- G. Please note that if your proposed project is awarded funding, you may be required to follow certain procurement procedures. Likewise, any construction costs over \$2,000 will be required to comply with Davis-Bacon and State of California prevailing wage requirements, and contracts in excess of \$100,000 must comply with the City of Bakersfield's Section 3 Plan (job opportunities for low- and moderate-income

residents). Please take this into account when preparing your proposed budget and project schedule.

- H. Compliance with Federal regulations governing accounting systems and reimbursable expenses, as well as proof of insurance are required of all recipients of HUD entitlement funds.
- I. Post monitoring is a federal requirement for recipients of HUD entitlement funds during the affordability or restrictive use period of the project.
- J. All HUD-funded activities are required to track race, ethnicity, income and disability status of project beneficiaries as described in Appendix R. For activities not serving a designated geographic area, please provide an Affirmative Marketing Plan to ensure the project or service is available to all persons.
- K. All HUD-funded activities require compliance with and are subject to accessibility review under Section 504 of the Rehabilitation Act (24 CFR Part 20) and the Americans with Disabilities Act. Specifically, the City of Bakersfield will utilize ADAAG 2010 to assess compliance.

RESTRICTIONS

- A. Religious Activities – Organizations that are religious or faith-based are eligible for CDBG, HOME, ESG funding on the same basis as any other organization. However religious and faith-based organizations may not directly fund inherently religious activities (e.g., worship, etc.) with federal funds. Organizations will retain their independence from government organizations. Participating organizations may not discriminate against program beneficiaries on the basis of religious beliefs, and funds may not be used to purchase, rehabilitate or construct structures to be used primarily for inherently religious activities.
- B. Political Activities - HUD funds may not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with HUD funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent use charges, if any.

COVID-19 IMPACT RELATED PROJECTS

Special consideration will be given to projects that prevent, prepare for, and respond to Coronavirus (as deemed necessary by the City). These projects may have further restrictions and waivers that correlate with this need. Please contact City staff before submitting an application if your project falls in this category.

NOTICE OF NONDISCRIMINATION

The City of Bakersfield hereby advises the public, job applicants, and employees that it does not discriminate on the basis of race, color, national origin, religion, sex, gender, or disability with regard to access to, treatment or employment in, its federally-assisted programs.

This notice is posted in accordance with Section 504 of the Rehabilitation Act of 1973, Section 109 of the Housing and Community Development Act of 1974 and Title IV of the Civil Rights Act of 1964.

The City of Bakersfield has designated the following individual as the contact to coordinate efforts to comply specifically with Section 504 – Non-Discrimination Based Disability in Federally-Assisted Programs and Activities, and a requirement of 24 CFR Part 8 :

Brianna Carrier, ADA/504 Coordinator
City of Bakersfield - City Manager's Office
1600 Truxtun Ave, Bakersfield, CA 93301
Phone: (611) 326-3745 Fax: (661) 324- 1850, CA Relay 711
E-mail: ADA@bakersfieldcity.us

City recipients or sub-recipients of HUD funding shall comply with this notice.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

The Community Development Block Grant (CDBG) Program is directed by the U.S. Department of Housing and Urban Development (HUD), and provides monies for cities and counties to perform certain community development and housing activities. Cities with populations over 50,000 and that meet certain other conditions, such as the City of Bakersfield, may apply for "entitlement" funds. The amount of money granted to a city is determined by a HUD formula and on an annual basis. Cities that are granted funds are known as entitlement cities. *(Note: The following summary of the CDBG Program merely highlights major program requirements and considerations).*

Each activity considered for funding must satisfy HUD objectives and eligibility criteria for the CDBG Program (described below).

At least 70% of the City's CDBG cumulative expenditures must be for activities benefiting low- and moderate-income persons. Also, other applicable laws, including civil rights laws, environmental review, labor standards, etc., must be followed in carrying out activities funded through the CDBG Program.

Please note that completing this application does not guarantee funding for any project. Applicant should be aware that demand for funding is far greater than available funds. City will not reimburse to the applicant any part of the cost to apply.

If selected for funding, program regulations require that the City of Bakersfield monitor your organization for compliance with CDBG regulations for a minimum of 5 years following the completion of the proposed activity.

The CDBG regulations can be found at 24 C.F.R. Part 570.

NATIONAL OBJECTIVES

Each activity must meet one of the three broad national objectives:

- A. Primarily benefit low- and moderate-income persons. More specifically, 51% of the project must benefit families with incomes at or below 80% of the median income. A project benefitting low- and moderate-income persons can be qualified in one of four ways:
 - 1. Area – the activity is located in a qualified low- and moderate-income Census block group (see map attached)
 - 2. Limited Clientele – the activity provides benefits to a specific group of persons, comprised (or presumed to be comprised) of at least 51% low- and moderate-income persons. This includes:

- i. Presumed Groups (as recognized by HUD), which include abused children, elderly persons, battered spouses, homeless persons, severely disabled persons (as defined by the U.S. Census), illiterate adults, persons living with AIDS, or migrant farm workers
 - ii. Requires information from persons receiving benefit so that the 51% low- and moderate-income threshold can be determined
 - iii. Be of such a location and nature that it may reasonably be concluded that the clientele are low- and moderate-income persons
- 3. Housing – the majority (at least 51%) of units are designated for low- and moderate-income households, or for non-elderly multi-family rental structures at least 20% of units are designated for low- and moderate-income households (only proportionate share of cost is eligible in this scenario)
- 4. Jobs – the activity can meet the benefit requirement in one of three ways:
 - i. Be located in a predominately low- and moderate-income neighborhood and serve the residents of that neighborhood in the case where the service would not otherwise be available
 - ii. Involve facilities designed for use predominantly by low- and moderate-income persons
 - iii. Involve the employment of persons, the majority (51% or greater) of whom are low- and moderate-income persons (maximum assistance per full time equivalent (FTE) position created is \$35,000, tracked cumulatively over a maximum of five years)
- B. Aid in the prevention or elimination of slum or blight. Activities considered to aid in the prevention or elimination of slum or blight are activities located within a designated area which: 1) meets a definition of a slum, blighted, deteriorated, or deteriorating area under State or local law; and 2) where there is a substantial number of deteriorating or dilapidated buildings or needed improvements throughout the area.
- C. Meet urgent community development needs. The proposed project must meet needs that have a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

ELIGIBLE ACTIVITIES

Only certain kinds of activities are eligible for funding. These are briefly listed below. However, in most instances the regulations contain "qualifiers" which make the activity eligible or ineligible depending on specific circumstances:

- A. Purchasing Property (Acquisition) in whole or in part by a public agency or private non-profit entity for any public purpose except buildings used predominantly for the

general conduct of government. Selling, Leasing, or Granting (Disposition of) property with CDBG funds.

- B. Public facilities and improvements, including the purchase, construction, reconstruction, rehabilitation, or installation of buildings/properties, except buildings or portions thereof, used predominantly for the general conduct of government.
- C. Clearance, demolition, and removal of buildings and improvements including movement of structures to other sites.
- D. Public services, which are directed toward improving the community's public services and facilities: including, but not limited to, those concerned with employment, crime prevention, childcare, health, drug abuse, education, energy conservation, welfare, or recreational needs. A public service *must* be either:
 - 1. A new service, or
 - 2. A quantifiable increase in the level of service above which had been provided by or on behalf of the unit of general local government in the twelve calendar months prior to submission of the Action Plan to HUD.

No more than 15% of the City's annual CDBG grant can be expended for public service costs. Also, please note that CDBG funding is not intended to be used to replace a discontinued funding source.

- E. Interim assistance to eliminate harmful conditions where immediate public action is necessary.
- F. Payment of the non-federal share of certain matching grant programs.
- G. Completion of federally-funded urban renewal projects.
- H. Relocation payments and assistance to persons displaced by CDBG activities, including temporary relocation assistance during rehabilitation work.
- I. Payment of loss of rental income to landlords holding properties for the relocation of individuals and families displaced by program activities.
- J. Removal of architectural barriers.
- K. Acquisition, construction, rehabilitation or installation of privately-owned utilities, including under-grounding.
- L. Rehabilitation and preservation activities. These activities include:
 - 1. Rehabilitation assistance to rehabilitate: a) privately owned buildings and improvements; b) low- and moderate-income public housing and other publicly owned residential buildings and improvements; and c) publicly owned nonresidential buildings and improvements otherwise eligible for assistance.

Please note that "rehabilitation" eligible under the CDBG program includes significant remediation of existing site improvements, and does not typically include maintenance activities (think reconstruction of portions of the property).
 - 2. Financing the following types of rehabilitation activities and related costs: a) assistance to private individuals and entities to acquire, for the purpose of rehabilitation, and to rehabilitate properties for use or resale for residential purposes; b) labor materials, and other costs of rehabilitation of properties; c) loans

for financing existing indebtedness secured by a property rehabilitated with CDBG funds; d) improvements to increase the efficient use of energy in structures; e) improvements to increase the efficient use of water; f) costs associated with the connection of residential structures to water distribution lines or local sewer collection lines; g) costs of tools lent to owners, tenants, and others who will use such tools to carry out rehabilitation; and h) rehabilitation services such as rehabilitation counseling, energy auditing, loan processing, and other services related to assisting owners, tenants, contractors, and other entities.

3. Code enforcement in deteriorating or deteriorated areas where such enforcement together with public improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area.
 4. Historic preservation, rehabilitation and restoration of historic properties, whether publicly or privately owned. Historic properties are those sites or structures that are either listed in or eligible to be listed in the National Register of Historic Places, or designated as a State or local landmark or historic district by appropriate law or ordinance.
 5. Renovation of closed school buildings for use as an eligible public facility, for a commercial or industrial facility, or for housing.
- M. Special economic development activities necessary to carry out an economic development project. Special economic development activities include:
1. The acquisition, construction, reconstruction, or installation of commercial or industrial buildings, structures, and other real property equipment and improvements.
 2. The provision of assistance to private for-profit businesses, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support for any other activity necessary or appropriate to carry out an economic development project.
- N. Some small business investment companies, local development corporations and other similar entities organized under Title VII of the entitled Headstart, Economic Opportunity, and Community Partnership Act of 1974, are authorized to receive funds to carry out neighborhood revitalization, economic development, and energy conservation activities that are otherwise ineligible.

INELIGIBLE ACTIVITIES

The general rule is that any activities not listed in the "eligible activities" section are ineligible. The following identifies examples of specific activities that are ineligible and provides guidance in determining other activities frequently associated with housing and community development.

- A. Acquisition, rehabilitation, or new construction of buildings, or portions thereof, used predominantly for general conduct or government.
- B. General government expenses.
- C. Political activities.

- D. Purchase of construction and/or fire protection equipment, furnishings, and personal property except as necessary in the administration of activities assisted with CDBG funds.
- E. Expenses associated with repairing, operating or maintaining public facilities or services.
- F. New housing construction.
- G. Income payments for housing or any other payments.
- H. Stadiums.
- I. Debt refinancing.
- J. Basic property maintenance.

PROPERTY OR SITE OWNERSHIP

For property improvements, such as new construction or rehabilitation of existing structures, the applicant must have title to the project property.

REQUEST MINIMUM

Due to the administrative requirements of HUD-funded projects and limited number of department staff, the minimum request for CDBG assistance is \$25,000.

MONITORING

Any applicant approved for CDBG funding will be monitored annually for a 5-year period following the completion of the project to ensure ongoing compliance with program requirements.

PUBLIC FACILITIES ASSISTANCE (PFA)

As part of the CDBG program, the Public Facilities Assistance (PFA) program may provide grant funds to eligible non-profit and public entities for development and expansion of their community/neighborhood facilities (referred to as Public Facilities). PFA grant funds may be used for purchase, design, construction, rehabilitation, or installation of public improvements or facilities. However, PFA funds may not be used for operation or maintenance; purchasing construction equipment; or for purchasing furnishings and other personal property.

Please note that reasonable fees may be charged for use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding low- and moderate-income persons from using the facilities, are not permitted. Also, please note that non-profit entities may acquire title to public facilities; however, when such facilities are owned by non-profit entities they must be open for use by the general public during all normal hours of operation.

Examples of eligible PFA activities include, but are not limited to:

- A. Community and Health Centers
- B. Day Care and Senior Centers
- C. Shelters for the Homeless
- D. Centers for the Disabled

PUBLIC SERVICE PROJECTS

Additional restrictions apply to public service projects. Before applying for funds for public service projects, please call the Economic and Community Development Department for more information, and to see if your project qualifies. Appendix R must be filled out for all public service applicants.

ENVIRONMENTAL REVIEW

All projects will go through a NEPA Environmental Review (ER). This process adds a significant amount of time to the project timeline. Larger project ER's can take anywhere from 3 months to over 1 year if additional consultation is needed. For larger projects, which require a more extensive environmental review, applicants may be required to conduct additional environmental studies at their own expense. If you have questions about the ER process for a proposed project, please call the Economic and Community Development Department before submitting your application.

APPLICATION INFORMATION FOR CDBG FUNDS

In order to apply for CDBG funds, please submit a narrative that includes the following information and associated material. If a question or topic is not applicable to your proposed project please state so on the application along with a brief explanation of why the question or topic does not apply. The application shall be on 8 ½ " x 11" white paper and organized in the order prescribed in the following section. The original application shall be bound (a 3-ring binder is sufficient), tabbed, sequentially numbered, and contain a table of contents. Applicants should make sure to include information that relates to the guidelines described in the previous section. The City reserves the right to adjust funding levels to maximize the funds that are to be utilized in ways that best meet the program goals.

PART ONE:

I. EXECUTIVE SUMMARY OF PROPOSAL

This should be a concise overview of all the major components of your proposal including the amount requested and must answer the questions - what, who, why, where, when, and how, including total cost and amount of request.

II. PROJECT DESCRIPTION

A. Project Title - Provide a brief title that describes the nature of your proposal.

B. Purpose and Detailed Description of the Project Components

1. Describe in detail the proposed project for which you are requesting funding.
2. Describe how your project (as proposed) meets one of HUD's National Objectives (see page II-1 of the Funding Handbook))
3. Describe how your proposed project conforms to one of the Eligible Activities (see page II-2 of the Funding Handbook)
Explain your project purpose and reason why the CDBG funding is necessary.
4. Does your proposal consist of land and/or facility acquisition, construction of a new facility, expansion of an existing facility, rehabilitation of an existing facility, or a combination of these?
5. If this activity is part of a larger project, describe the entire project and how this activity fits in with the larger project.
6. Describe which goal and objective your project application will address the goals outlined in the City's 2020-25 Consolidated Plan (See 20-25 Consolidated Plan Goals in the INTRODUCTION section).

C. Nature and Level of Service

1. Describe what programs and services you provide now, if any, and whether these programs and services are going to be continued at existing levels or

expanded by the proposed project.

2. Identify all sites utilized by your organization to provide programs and services.
3. Include any new programs or services to be provided at the site as a result of the CDBG assistance.
4. Identify other organizations that provide the same or similar services as those provided by your organization. To the best of your knowledge, are those organizations at or near capacity in terms of people served?
5. In terms of numbers, is there a long waiting list for similar programs and activities offered at the nearest existing facility or provider (within metropolitan Bakersfield)? If so, what are the numbers?
6. For Public Service projects, please complete the Public Service Questionnaire (Appendix R). Additional restrictions apply to public service projects. Before applying please call the Development Services Department for more information, and to see if your project qualifies.

D. Site Control

(Note: this section only applies if site improvements are proposed)

1. Please indicate whether you have title to the project property or control of the site. If you have title to the project property, please provide documentation (site control may be a long term lease covering the useful life of improvements or purchase options). If you do not have title to the project property, please explain (e.g., who currently owns the site, is the seller willing to take an option, etc.). Lack or reasonable site control for an improvement project will make an application ineligible for funding.
2. Describe all existing utilities and infrastructure on the proposed project site.
3. Identify the square footage or acreage of the site.
4. If a commercial narrative appraisal has been completed please attach it as documentation.

E. Property Information

If site improvements are proposed, identify each site for which proposed CDBG funding would be used and provide the following information:

1. State the current zoning of the project site, and any development approvals (i.e. Conditional Use Permit, zone change, modification, etc.) necessary to facilitate the proposed project.
2. If there is an existing residential or commercial structure located on the project site, indicate the number of people or businesses to be displaced as a result of this project.
3. Please identify the number of square feet needed for the proposed project.
4. Please provide an Assessor's Parcel Map and Assessor's Parcel Number(s) for your proposed project site. Attach preliminary sketches and site plans (if applicable) of all proposed improvements (include street addresses).

5. Please indicate any known environmental hazards on the proposed project site. If your proposal is selected for funding and it involves property acquisition or new construction, a Phase I Environmental Assessment must be completed by applicant before approval of any funding. If a Phase I Environmental Assessment is available at the time the application is made, please include a copy of the report with the application.
6. Provide two or more pictures of proposed project site.
7. If the proposed project includes site improvements, has an appraisal been completed for the project site? If funding is for acquisition a certified fair market appraisal must be submitted by the applicant before approval of funding.
8. When was the most recent title report completed? If available, please include a recent (less than six months) title report for the project site.

F. Proposed New Construction

1. If your project consists of new construction, please describe in detail the extent of construction work to be undertaken. Include information regarding square footage, number and type of rooms, landscaping and other relevant information.
2. Has an environmental review been performed for the project site? Please explain.

G. Proposed Rehabilitation/Expansion of Existing Facility

If your project consists of rehabilitation and/or expansion of an existing facility, please describe the extent of the rehabilitation work, additional square footage, and proposed use of additional space. Include information about structural, mechanical, plumbing, electrical, and other deficiencies that must be corrected as a part of the rehabilitation work. Please indicate if asbestos and/or lead based paint are present in the proposed project site and how this was determined.

H. Contact Person and Information

Provide the name of the best person to contact for further questions regarding this application. Include specific contact information and preferred method of contact.

I. Covid-19 Related Impacts

Does this project directly prevent, prepare for, and/or respond to Coronavirus? If so how? Has your organization received CARES funds for this purpose? If so how much, and from what entity? Please describe how the requested funds will meet the remaining gap.

III. **PROJECT COST**

A. Itemized Cost Estimate

1. Provide an itemized preliminary cost estimate and include the source of the estimate and the date the estimate was prepared. If the project involves

construction-related costs, then cost estimates shall be certified by an architect or professional engineer and must include the total amount of CDBG funds requested, and non-CDBG funds committed, as well as quantities, units of measure, unit prices, extension prices, and contingencies as applicable. If the project involves funding a program, please describe in detail how estimated costs were determined.

Please note that if construction-related costs exceed \$2,000, then the project must comply with Davis-Bacon prevailing wage requirements. Likewise, if approved, the project may be required to comply with certain bidding requirements. A sample of a Bid Analysis Form may be found in Appendix C of this document.

2. If this activity is part of a larger project, describe the source of funds for other elements of the total project.

B. Other Funding

Describe any other funding that is anticipated for this project. What steps have been taken to secure other funding for this activity? If available, supply written responses from other funding agencies contacted.

C. Type of Financial Assistance Requested

Describe the type of CDBG assistance requested, (i.e., loan, grant, or combination) and amount of each type of assistance.

IV. PROJECT BENEFIT

- A. Provide area map(s) identifying the project location and the area boundaries to be served by the project.
- B. Explain how the service area boundaries were determined and submit available data in support of this determination.
- C. If the proposal is for job creation/retention, please identify the total number of jobs (full-time equivalent positions) to be created/retained and the percent to be filled by low- and moderate-income persons. Also, please identify the type of jobs to be created, the type of job experience required and average pay scale for these positions.
- D. Describe who will benefit from this project (i.e., residents of given area, specific age group, such as youth or seniors, disabled persons, etc.). Please estimate how many people/households will benefit from this project in a year. Note: facilities assisted with federal funds must be open to all ethnic and racial groups and data indicating persons/groups served will be required as part of the program-monitoring process.
- E. Describe how low- and moderate-income persons will benefit from this project and how this can be verified (see attached CDBG guidelines found in Appendix E, identifying current low- and moderate-income limits and what individual groups are presumed to be principally low- and moderate-income persons). If the project is a direct benefit, activity (i.e. is not based on area of benefit) please explain how your agency will document low- and moderate-income qualification per user.

Please explain how your organization has determined that 51% or more of your clientele are historically from low- and moderate-income families (clientele means all users of the proposed facility). Make certain to provide documentation.

- F. Do you plan to charge fees for the activities or service to be offered? If so, how will amount of fees be determined and what will be the cost? For what will the proposed fees be utilized (e.g., incidental overhead costs, operation and maintenance, capital cost recovery, etc.)? Will these fees prevent or limit the use of the facility by low- and moderate-income residents? Please explain.
- G. For last fiscal year, how many clients were served by your agency by the programs/services you plan to provide with the proposed project; and what percentage of these clients/users served were City residents vs. unincorporated County residents? If all or a portion of your clients are County residents, has your agency requested assistance from the County? If so, please explain the County's potential involvement with your proposal. If no involvement, please explain why.
- H. Identify potential users and organizations that may utilize the proposed facility or program (identify specific groups, their membership requirements if any, etc.) and whether they are low- and moderate-income users.
- I. Describe how your agency intends to evaluate annual accomplishments of your request for use of HUD funds. Attach a copy of annual evaluation and performance reports your agency provides to funders and stakeholders. Appendix O reflects new reporting requirements by funded applicants for federal performance measurements.

V. PROJECT TIMELINE

Please describe the timeframe for implementation of the proposed project. Please attach a project implementation schedule outlining anticipated start and ending dates for each applicable activity (note: City's fiscal year starts July 1 and ends June 30).

VI. AUTHORIZATION TO APPLY

Attach an executed resolution from your governing body (e.g., Board of Directors), authorizing application for CDBG funds and appointment of representative signatory. An example of an authorizing resolution can be found in Appendix H.

VII. INDEMNIFICATION AND INSURANCE

Please review the City's standard indemnification and insurance requirements (Appendix I) for proposed funded community/neighborhood facilities, and provide documentation regarding your agency's ability to provide the required coverage.

VIII. ALTERNATIVES CONSIDERED

(Note: Complete this section if the proposed project includes acquisition, new construction or substantial rehabilitation (greater than 50%) of the value of the structure.)

- A. Discuss the benefit of meeting your organizational objectives in a way other than the proposed project, as well as the consequences of implementing other means. In other words, discuss the consequences if there is no action or your proposed project is not implemented.
- B. Identify one or more alternatives to the proposed project that were considered and rejected, e.g., other sites considered, design modifications, other uses of the site. For each alternative, describe benefits to the human environment that would result from implementation, any adverse impacts, and the reasons for rejection.

IX. BUSINESS PLAN

See Appendix A for this portion of the application to describe your organization's Business Plan. No application is considered to be complete without the Business Plan. Any funding application received without a Business Plan will not be considered for funding.

SUMMARY OF REQUIRED EXHIBITS

The application format described above lists several documents that must be submitted in support of your written proposal. For quick reference, the following exhibits need to be included in your application. Depending on whether you are proposing a program or construction-related project, some exhibits may not apply.

1. Proof of site control (see section II.D.1 above)
2. Commercial Narrative Appraisal (see section II.D.4 above)
3. Preliminary Sketches and/or Site Plans (see section II.E.4 above)
4. Assessor's Parcel Map(s) (see section II.E.4 above)
5. Phase I Environmental Assessment (see section II.E.5 above)
6. Site Photos – minimum of 2 (see section II.E.6 above)
7. Property Appraisal (see section II.E.7 above)
8. Recent Title Report (see section II.E.8 above)
9. Certified Project Cost Estimates (see section III.A.1 above)
10. Vicinity Maps – depicting the project location and service area boundaries (see section IV.A above)
11. Agency Evaluation and Performance Reports (see section IV.I above and Appendix O)
12. Project Implementation Schedule (see section V above)
13. Authorizing Resolution for Application (see section VI above and Appendix H)
14. Proof of Ability to Comply with Indemnification and Insurance Requirements (see section VII above and Appendix I)
15. Business Plan (see section IX above and Appendix A)
16. For Public Service projects, please complete the Public Service Questionnaire (Appendix R)

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

The HOME Investment Partnership Program (HOME) is funded through the U. S. Department of Housing and Urban Development (HUD), and was created to:

- Provide decent affordable housing to low- and moderate-income households;
- Expand capacity of nonprofit housing providers;
- Strengthen the ability of state and local governments to provide affordable housing; and
- Leverage private sector participation in affordable housing production.

HOME assistance is intended to be used as “gap” financing, meaning that, but for the provision of HOME funds, the proposed project would not be financially feasible.

Maximum HOME assistance per unit is established by HUD and referenced in Appendix D of this document.

HOME regulations can be found at 24 CFR Part 92.

ELIGIBLE PROGRAM BENEFICIARIES

The HOME Program beneficiaries are homeowners and tenants with annual (gross) incomes no greater than 80% of median income (see Appendix E).

MATCH REQUIREMENT

No less than twenty-five percent of all HOME funds used in a project must be matched with private/non-federal funds.

AFFORDABILITY PERIOD AND MONITORING

HOME-assisted rental units carry rent and occupancy restrictions for varying lengths of time, known as the affordability period. The affordability period is based on the average amount of HOME funds invested in each unit and the type of activities performed using HOME funds. The following describes how the affordability period is calculated based on the HOME subsidy per unit:

- < \$15,000: 5-year affordability period
- \$15,000 - \$40,000: 10-year affordability period
- >\$40,000: 15-year affordability period.

This City of Bakersfield is required to monitor HOME-assisted projects during the period of affordability to ensure fiscal soundness, property standards, and compliance with HOME program regulations and the project agreement. Any recipient of HOME funds from the City of Bakersfield may be monitored either annually or once every three years based on project compliance and performance. The City of Bakersfield reserves the right to charge fees related to the monitoring of HOME projects.

MULTI-FAMILY RENT LIMITS AND INCOME REQUIREMENTS

Funding for multi-family housing units must adhere to HOME Program Rent limits when setting maximum Low and High Home Rents. Current program limits are listed in Appendix D. For rental housing, at least 90 percent of the initial household beneficiaries must have incomes at or below 60 percent of the area median income; the remaining 10 percent of the families benefited must have incomes at or below 80 percent of area median income. After initial lease-up, 80 percent of household beneficiaries must have incomes at or below 80 percent of area median income; the remaining 20 percent of household beneficiaries must have incomes at or below 50 percent area median income.

ACCESSIBILITY

For new construction or substantial rehabilitation of multi-family projects (five or more units), at least 5% of the total units of the housing development being assisted must be accessible to individuals with mobility impairments, and at least 2% of units accessible to individuals with sensory impairments. Substantial rehabilitation is defined as a project with 15 or more units for which rehab costs will be at least 75% of replacement cost. For rehab that is less than substantial, alterations must be 5% of units and common areas accessible to persons with mobility impairments. Accessible units to the maximum extent feasible must be distributed throughout the project and available in a sufficient range of sizes and amenities as to not limit choice.

Owners and managers must prioritize and market accessible units to persons with disabilities, and must adopt suitable means to assure information regarding the availability of accessible units reaches eligible persons with disabilities. Also annually during the period of affordability, City staff will monitor HOME-assisted projects for compliance with Section 504 of the Rehabilitation Act of 1973 and the Uniform Federal Accessibility Standards (UFAS).

TIME LIMITS

The City desires to obligate (legally encumber) funds within two years of its grant award and funds must be fully expended five years from the date of the HUD award.

HOME projects must obtain financing and commence construction within 12 months of executing an agreement with the City of Bakersfield. HOME projects must be completed within three years of the date a HOME agreement is executed.

All HOME rental units must be occupied within six months of project completion, with an extension available up to 18-months from project completion.

For HOME homebuyer units, units must be sold to qualified buyers within nine months. Any HOME-assisted homebuyer unit that is not sold within nine months must be converted to a rental unit.

ELIGIBLE ACTIVITIES

The HOME Program funds a variety of housing activities, such as:

- A. Rehabilitation, improvement, or modification of an existing residential structure;
- B. Conversion of an existing structure from an alternative use to affordable, residential housing;
- C. Reconstruction or rebuilding a residential structure on the same lot and for the same usage as the former structure (number of units in new structure must be similar to previous structure);
- D. New Construction of housing units – funding cannot be used for existing properties even if they are newly constructed. In order for a project to be considered eligible, construction activities may only commence following approval of funding, the appropriate environmental review, and a Notice to Proceed from the City of Bakersfield;
- E. Tenant-based Rental Assistance (TBRA);
- F. Acquisition of property is eligible either as part of a homebuyer program or a rental housing project;
- G. Acquisition of vacant land using HOME funds may be accomplished only if construction will begin on a HOME eligible project within 12 months of purchase;
- H. Building of new, on-site infrastructure (sidewalks, sewer and water lines, utility connections, etc.) where they had not previously existed is permissible only when such improvements are essential to the development of the project;
- I. Demolition of a structure is an eligible HOME activity only if construction will begin on the HOME eligible project within 12 months of the demolition;
- J. Relocation payments and other relocation assistance, both permanent and temporary, are eligible costs;
- K. Project soft costs such as private lender origination fees, credit reports, title reports and updates, recordation fees, appraisal fees, attorney's fees, etc., are eligible HOME expenses.

EXAMPLES OF INELIGIBLE ACTIVITIES

The following activities prohibited or not currently allowed under HOME program regulations:

- A. Emergency Repair, Weatherization or Energy Efficiency Programs: Programs that do not remedy all code deficiencies are prohibited.
- B. Ineligible Properties: HOME funds cannot be used for assistance on federally supported public housing, commercial properties, and temporary shelters.
- C. Match for other Programs: HOME Program funds cannot be used as the "non-federal" match for other federal, state, or local initiatives.
- D. Double Dipping: Except for the first year after project completion, no additional HOME funds can be provided to a project during the relevant period of affordability.
- E. Refinancing debt secured by multifamily housing.

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO)

The City of Bakersfield is required by HUD to set aside not less than 15% of HOME funds non-profit organizations called Community Housing Development Organizations (CHDOs). CHDOs are private, non-profit organizations that meet a series of qualifications prescribed in the HOME regulations, and are eligible to participate in the following activities:

- A. Serve as owners, developers, or sponsors of projects undertaken with HOME funds;
- B. Receive special assistance, such as predevelopment loans, technical assistance, or operating funds (not available to other types of organizations);
- C. Perform certain services as contractors to the City of Bakersfield; and
- D. Contract with the City of Bakersfield in the same ways as other non-profit agencies.

CHDO ELIGIBLE ACTIVITIES (AS OWNERS, SPONSORS, OR DEVELOPERS)

- A. Acquisition and/or rehabilitation of rental property;
- B. New construction of rental housing;
- C. New construction of homebuyer property; and
- D. Direct financial assistance to purchasers of HOME-assisted housing, sponsored or developed by a CHDO with HOME funds.

CHDO INELIGIBLE ACTIVITIES (AS OWNERS, SPONSORS, OR DEVELOPERS)

- A. Rehabilitation of existing homeowner properties
- B. Tennant Based Rental Assistance (TBRA)

CHDO AS SUBRECIPIENT

CHDOs may also act as sub recipients with non-set-aside funds by undertaking any other HOME-eligible activities.

CHDO CERTIFICATION

To become a certified CHDO in the City of Bakersfield, the organization must first meet certain criteria that have been established by HUD. These criteria are described in the "Statement of Qualifications" portion of this document, beginning on page III-9. CHDO certification in the City of Bakersfield is only valid for one fiscal year and must be approved by HUD. Therefore, if your organization is interested in CHDO certification, please include the "Statement of Qualifications" along with the application for HOME funds.

APPLICATION INFORMATION FOR HOME FUNDS

In order to apply for HOME funds, please submit a narrative that includes the following information and associated material. If a question or topic is not applicable to your proposed project, please state so on the application along with a brief explanation of why the question or topic does not apply. The application shall be on 8 1/2" x 11" white paper and organized in the order prescribed in the following section. The application shall be bound (a 3-ring binder will be sufficient), tabbed, sequentially numbered, and contain a table of contents. Applicants should make sure to include information that relates to the guidelines described in the previous section. The City reserves the right to adjust funding levels to maximize the funds that are to be utilized in ways that best meet the program goals.

PART ONE:

I. EXECUTIVE SUMMARY OF PROPOSAL

This should be a concise overview of all the major components of your proposal including the amount requested and must answer the questions - what, who, why, where, when, and how including total cost and amount of request.

II. PROJECT DESCRIPTION

- A. Project Title - Provide a brief title that describes the nature of your proposal.
- B. Purpose and Detailed Description of the Project Components
 - 1. Describe in detail the proposed project for which you are requesting funding.
 - 2. Explain your project purpose and reason why HOME funding is necessary.
 - 3. Does your proposal consist of land and/or housing acquisition, construction of new housing, rehabilitation of existing housing, or a combination of these?
 - 4. If this activity is part of a larger project, describe the entire project and how this activity fits in with the larger project.
 - 5. Please provide any information concerning whether your proposed project will be competing with existing services from other organizations. Identify those organizations and describe the potential overlap.
 - 6. In terms of numbers, is there a long waiting list for similar programs and activities offered at the nearest existing facility (within Metropolitan Bakersfield)? If so, what are the numbers?
 - 7. Describe which goals your project application will address in the City's 2020-25 Action Plan Goals (See 2020-25 Consolidated Plan Goals in the INTRODUCTION section).

C. Site Control

1. Indicate if you have title to the project property or control of the site. If your answer is yes, please provide documentation (site control may be a long-term lease covering the useful life of improvements or purchase options). If you do not have title to the property, please explain (e.g., who currently owns the site, is the seller willing to take an option, etc.). Lack of reasonable site control for an improvement project will make an application ineligible for funding.
2. Explain if all utilities and infrastructure are provided.
3. Identify the square footage of the site.
4. State the site location by address, Assessor's Parcel Number (APN), site dimensions and number of parcels. State the owner's name, address and telephone number. Attach sketches and site plans (if applicable) of all proposed improvements (include street addresses).
5. If a narrative appraisal has been completed, please attach it as documentation.

D. Property Information - Please identify each site for which proposed HOME funding would be used and provide the following information:

1. State the current zoning of the project site and any development approvals (i.e., Conditional Use Permit, zone change, modification, etc.) that would be necessary to facilitate the proposed project.
2. If there is an existing residential or commercial structure located on the project site, indicate the number of people or businesses to be displaced.
3. Please identify the number of square feet needed (new construction, expansion or rehabilitation) for each type of facility requested.
4. List any special services to be provided to residents beyond those customarily provided to tenants, such as support services and the agency or people who will render the services.
5. Does the project involve preservation of an existing structure? If yes, does it meet seismic code, is the building listed on the National Register of Historic Places, or is the building designated as a State or local landmark or historic district by appropriate law or ordinance?
6. If the proposal includes property acquisition, a Phase I Environmental Assessment must be completed that includes data and findings that conform to the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) of 1980 and applicable ASTM (American Society for Testing and Materials) Environmental Due Diligence Standards. Please attach the Phase I Environmental Assessment if property acquisition is proposed.
7. Provide two or more pictures of proposed project site.
8. If funding is for acquisition, a certified fair market appraisal must also be submitted by applicant before approval of funding.
9. If available, please include recent (less than six months) title report for the project site.

E. Proposed New Construction

If your project consists of new construction, please describe in detail the extent of construction work to be undertaken. Include information regarding square footage, number and type of rooms, landscaping and other relevant information.

F. Proposed Rehabilitation/Expansion of Existing Facility

If your project consists of rehabilitation and/or expansion of an existing facility, please describe the extent of the rehabilitation work, additional square footage and proposed use of additional space. Include information about structural, mechanical, plumbing, electrical and other deficiencies that must be corrected as a part of the rehabilitation work. Please indicate if asbestos and/or lead based paint is present at the proposed project site and how this was determined.

G. Proposed Rental Project

If the proposed HOME project is for rental property, please submit a project pro-forma. See Appendix B for required project pro-forma data.

H. Contact Person and Information

Please include the name of a contact person for any follow-up questions regarding this application. Also, include contact information and the preferred method of contact.

I. Covid-19 Related Impacts

Does this project directly prevent, prepare for, and/or respond to Coronavirus? If so how? Has your organization received CARES funds for this purpose? If so how much, and from what entity? Please describe how the requested funds will meet the remaining gap.

III. **PROJECT COST**

A. Itemized Cost Estimate

1. If construction bidding on this project has taken place, or if bidding will take place, please refer to Appendix C for a sample Bid Analysis Form that may be useful in evaluating bids.
2. Provide a detailed itemized preliminary cost estimate and include the source of the estimate and the date estimate was prepared. If the project involves construction-related costs, then cost estimates shall be certified by an architect or professional engineer and must include the total amount of HOME funds requested, and non-HOME funds committed, as well as quantities, units of measure, unit prices, extension prices, and contingencies as applicable. If the project involves funding a program, please describe in detail how estimated costs were determined.

Please note that if construction-related costs exceed the threshold established in 24 CFR 92.354, then the project must comply with Davis-Bacon prevailing wage requirements. State of California prevailing wage requirements may also apply and applicants are responsible for understanding California prevailing wage requirements and its applicability to their proposed project. Likewise, if approved,

the project may be required to comply with certain bidding requirements. A sample of a Bid Analysis Form may be found in Appendix C of this document.

3. If this activity is part of a larger project, describe the source of all funds for other elements of the total project.
- B. Other Funding - Describe what steps have been taken to secure other funding for this activity. If available, supply written responses from other funding agencies contacted.
- C. Type of Financial Assistance Requested - Describe the type of HOME assistance requested, (i.e., loan, grant, or combination) and amount of each type of assistance.
- D. Projected Operating Budget - Provide a minimum of three years cash flow analysis for the organization's total operations. The projection should highlight if the agency will be able to generate sufficient revenues to cover costs over the next three years.
- E. Proof of Current Operating Budget - Provide current operating budget and most recent end of the year (annual) performance report (i.e., persons/families served, projects completed, etc.).

IV. PROJECT BENEFIT

- A. Provide area map(s) identifying the project location and the area boundaries to be served by the project.
- B. Describe who will benefit from this project (i.e., residents of a given area, specific age group, ethnic group, disabled persons, etc.).
- C. Describe how low- and moderate-income persons ($\leq 80\%$ of median income) will benefit from this project and how this can be verified (see Appendix E guidelines identifying current low- and moderate-income limits).
- D. Estimate number of persons and/or households benefitting from the project.

V. PROJECT TIMELINE

Please attach a project implementation schedule outlining the anticipated start and ending dates for each applicable activity: property acquisition, facility design, construction, or installation (note: City's fiscal year starts July 1 and ends June 30).

VI. PROJECT DEVELOPMENT TEAM

Identify the key members of the project development team, including developer, contractor, architect, and any other major consultants being used. Attach a resume or qualifications statement for each. Attach actual or proposed contracts.

VII. AUTHORIZATION TO APPLY

Attach an executed resolution from your governing body (e.g., Board of Directors), authorizing application for HOME Funds and appointment of representative signatory. An example of an authorizing resolution can be found in Appendix H.

VIII. INDEMNIFICATION AND INSURANCE

Please review the City's standard indemnification and insurance requirements (Appendix I) for proposed HOME funded housing project, and provide documentation regarding your agency's ability to provide the required coverage.

IX. ALTERNATIVES CONSIDERED

- A. Discuss the benefits of meeting organizational objectives in a way other than the proposed project, as well as the consequences of implementing other means. In other words, discuss the consequences if there is no action or your proposed project is not implemented.
- B. Identify one or more alternatives to the proposed project that were considered and rejected, (e.g., other sites considered, design modifications, other uses of the site). For each alternative, describe benefits to the human environment that would result from implementation, any adverse impacts, and the reasons for rejection.

X. BUSINESS PLAN

See Appendix A for Part 2 of this application, which is your organization's Business Plan. No application is considered to be complete without the Business Plan. Any funding applications received without Business Plan will not be considered for funding.

XI. COVID-19 RELATED IMPACT

Does this project directly prevent, prepare for, and/or respond to Coronavirus? If so how? Has your organization received CARES funds for this purpose? If so how much, and from what entity? Please describe how the requested funds will meet the remaining gap.

SUMMARY OF REQUIRED EXHIBITS

The application format described above lists several documents that must be submitted in support of your written proposal. For quick reference, the following exhibits need to be included in your application. Depending on whether you are proposing a program or construction-related project, some exhibits may not apply.

1. Proof of Site Control/Ownership (see section II.C.1 above)
2. Sketches and/or Site Plans (see section II.C.4 above)
3. Phase I Environmental Assessment (see section II.D.6 above)
4. Site Photos – minimum of 2 (see section II.D.7 above)
5. Property Appraisal (see section II.D.8 above)
6. Recent Title Report (see section II.D.9 above)
7. Rental Property Pro-forma (see section II.G above and Appendix B)
8. Certified Project Cost Estimate (see section III.A above)
9. Three-year Cash Flow Analysis (see section III.D above)
10. Vicinity Maps – depicting the project location and service area boundaries (see section IV.A above)
11. Project Implementation Schedule (see section V above)
12. Resumes and Qualification Statements for the Project Development Team (see section VI above)
13. Actual or Proposed Contracts (see section VI above)
14. Authorizing Resolution for Application (see section VII above and Appendix H)
15. Proof of Ability to Comply with Indemnification and Insurance Requirements (see section VIII above and Appendix I)
16. Business Plan (see section X above and Appendix A)
17. CHDO Statement of Qualifications (if applicable, see page III-12 to III-16 below)

STATEMENT OF QUALIFICATIONS FOR NON-PROFITS AND COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO)

Organizations that wish to be considered for a **CHDO** designation, or be considered an **eligible non-profit**, must provide the following "evidence" with their application as indicated below when submitting this statement.

This statement of qualifications has been designed as a tool for non-profit organizations to use to determine if they meet the HUD definition of a CHDO, have technical capacity to implement a federally funded project, and evidence of timely and satisfactory project management of HOME funded projects. Although any qualified non-profit may receive Home Investment Partnership Program (HOME) funds, only a CHDO may receive "set-aside" monies. In order to determine your organization's status (i.e., non-profit only or non-profit and CHDO) please complete the following sections (note: non-profit applicants need to complete the section preceding section I and section I; CHDO applicants need to complete all sections):

Organization Name: _____

Address: _____

Contact Person: _____

Phone: _____

I. LEGAL STATUS - ALL NON-PROFIT ORGANIZATIONS

- A. The non-profit organization is organized under state or local laws, as evidenced by:
- ☐ a Charter, or
 - ☐ Articles of Incorporation
- B. No part of its net earnings can be of benefit to any member, founder, contributor or individual, as evidenced by:
- ☐ a Charter, or
 - ☐ Articles of Incorporation
- C. The organization has a tax-exempt ruling from the Internal Revenue Service (IRS) under Section 501(c)(3) of the Internal Revenue Code of 1986, as evidenced by:
- ☐ a 501(c)(3) Certificate from the IRS.

- D. The organization conforms to the financial accountability standards of Attachment F of OMB Circular A-110, "Standards for Financial Management Systems", (Appendix L) as evidenced by (chose one):

☐ a notarized statement by the president, or chief financial officer of the organization;

☐ a certification from a Certified Public Accountant, or

☐ a HUD approved audit summary.

- E. All litigation to which the organization is a party or any director of the organization in his/her capacity as a director is a party must be disclosed. Certify to one of the following statements:

☐ I certify that neither the organization nor any of its directors in his or her capacity as a director is involved in any litigation, or

☐ Attached is a list of all litigation to which the organization or any of its directors is a party. I certify that this is a complete listing of such litigation.

If all the aforementioned requirements have been met and sufficient documentation provided, your organization may be considered a non-profit organization. If your organization wishes to be considered a CHDO, you must meet all requirements listed in Sections II - IV. If your organization only meets the above qualifications and only wishes to be considered a non-profit organization, you may stop here, sign on page III-12, and submit the Statement of Qualifications with the appropriate documentation.

II. CAPACITY – CHDO'S

- A. Has among its purposes the provision of decent housing that is affordable to low- and moderate-income people, as evidenced by a statement in the organization's (chose one):

☐ Charter

☐ Articles of Incorporation

☐ By-laws, or

☐ Resolutions

- B. Has a demonstrated capacity for satisfactorily carrying out activities assisted with HOME funds, as evidenced by:

☐ resumes and/or statements of paid staff that describe the experience of key staff with demonstrated development experience with projects similar to those to be assisted with HOME funds (**note: staff must be paid by the organization and cannot be volunteers or staff donated by another organization**), or

☐ contract(s) with consultant firms or individuals who have housing experience similar to projects to be assisted with HOME funds, to train appropriate key staff of the organization (**note: this provision may only be used the first year a CHDO is certified**).

☐ provide the city with a letter of recommendation or project performance report from a HUD entitlement jurisdiction or agency concerning previously funded HOME projects, and the CHDO's satisfactory performance regarding timely implementation and management of quality control issues.

- C. Has a history of serving the community where housing to be assisted with HOME funds will be used as evidenced by:

☐ a statement that documents at least one year of experience in serving the community, or

☐ for newly created organizations formed by local churches, service or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.

NOTE: The CHDO, or its parent organization, must be able to show one year of serving the community from the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided, such as, developing new housing, rehabilitating existing stock and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president of the organization or by a HUD approved representative.

III. ORGANIZATIONAL STRUCTURE – CHDO’S

- A. Maintains at least one-third of its governing board's membership for residents of low- and moderate-income neighborhoods, other low- and moderate-income community residents, or elected representatives of low- and moderate-income neighborhood organizations as evidenced by the organization's (chose one):

☐ By-laws

☐ Charter, or

☐ Articles of Incorporation

NOTE: Under the HOME program, for urban areas, the term "community" is defined as one or several neighborhoods, a city, county, or metropolitan area. For rural areas, "community" is defined as one of several neighborhoods, a town, village, county, or multi-county area (but not a whole state), if the governing board contains low- and moderate-income residents from each of the multi-county areas.

- B. Establishes a defined geographical boundary of service (a city, a county, or combination) that can be reflected in a user-friendly map.

☐ City of Bakersfield boundary map

☐ County of Kern boundary map

☐ Other (please attach a map with east, west, north, and south boundaries. Note: A CHDO is ineligible if its boundaries are statewide.

- C. Provides a formal process for low- and moderate-income program beneficiaries to advise the organization in all of its decisions regarding design, development and management of all HOME-assisted affordable housing projects, as evidenced by (chose one):
- ☐ the organization's By-laws,
 - ☐ Resolutions, or
 - ☐ a written statement of operating procedures approved by the governing body
- D. A CHDO may be chartered by state or local government; however, state or local government may not appoint: 1) more than one-third of the organization's governing body; 2) the board members appointed by the state or local government may not, in turn, appoint the remaining two-thirds of the board members; and 3) no more than one-third of the governing board members are public officials, as evidenced by the organization's (chose one):
- ☐ By-laws
 - ☐ Charter, or
 - ☐ Articles of Incorporation
- E. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's (chose one):
- ☐ By-Laws
 - ☐ Charter, or
 - ☐ Articles of Incorporation
- F. Provide resumes for each CHDO board member. Indicate if the board member is a low- and moderate-income representative and/or resident of a low- and moderate-income area.

IV. RELATIONSHIP WITH FOR-PROFIT ENTITIES - CHDOs

- A. Not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by:
- ☐ organization's By-laws, or
 - ☐ Memorandum of Understanding (MOU)
- B. A CHDO may be sponsored or created by a for-profit entity, however:
- 1) The for-profit entity's primary purpose does not include the development or management of housing, as evidenced:
 - ☐ by the for-profit organization's By-laws and;
 - 2) The CHDO officers and employees of the creator for-profit entity do not serve as officers or employees of the CHDO, as evidenced:
 - ☐ by the for-profit organization's By-laws and;

- 3) the CHDO is free to contract for goods and services from vendor(s) of its own choosing, as evidenced in the CHDO's (chose one):

- ☐ By-laws
☐ Charter, or
☐ Articles of Incorporation

CERTIFICATION – CHDOS/NON-PROFIT ORGANIZATIONS

As an authorized representative of this organization, I certify that the information contained herein and attached hereto is true and correct to the best of my knowledge. I realize that if I make false statements or withhold information I may be denied assistance and/or may be prosecuted for fraud.

Name (typed or printed)

Title

Signature

Date

EMERGENCY SOLUTIONS GRANT PROGRAM (ESG)

The Emergency Solution Grant program is federally funded through the U.S. Department of Housing and Urban Development (HUD). The purpose of the program is to help:

- Engage homeless individuals and families living on the street;
- Improve the number and quality of emergency shelters for homeless individuals and families;
- Help operate these shelters;
- Provide essential services to shelter residents;
- Rapidly re-house homeless individuals and families; and
- Prevent families and individuals from becoming homeless.

WHO MAY APPLY

All private non-profit organizations, 501(c)(3) corporations, are eligible to apply for funding.

Any entity receiving ESG funding must be an active member in the Continuum of Care (Bakersfield Kern Regional Homeless Collaborative), and registered in the HMIS system.

ELIGIBLE ACTIVITIES

- A. Renovation: major rehabilitation or conversion of buildings for use as emergency shelters for the homeless. This may or may not include overnight sleeping. If funds are used for this purpose, the facility must be used for the homeless for not less than 10 years.
- B. Emergency Shelter or Street Outreach
 - 1. Operational costs: payment of maintenance, insurance, utilities or staff time to carry out operational work.
 - 2. Essential services: a new service or a quantifiable increase in the level of service previously provided.
- C. Homelessness prevention: development and implementation of homelessness prevention activities.
- D. Rapid Re-housing: provision of services to re-establish housing for homeless persons.

INELIGIBLE ACTIVITIES

- A. Acquisition of property.
- B. New construction.
- C. Incidental costs related to rehabilitation, such as the preparation of work specifications, loan processing, or inspections.
- D. Payment of administrative staff. The City has chosen to retain 7.5 percent of the ESG grant allowable under federal regulations to offset program administration costs.

MATCHING REQUIREMENTS

All funds allocated must be matched with an equal amount of funds from another source(s). The match may be monetary or in the form of in-kind contributions such as donated material, value of a lease or volunteer services computed at \$12.00 per hour. These funds must be available after the contract date and approval of the grant award by City Council. Funds used to match a previous ESG grant may not be used to match a subsequent grant award. Payment of ESG funds to grantees will be processed only with proof of an equal amount of match expenditure, and proof of payment for services provided.

FUNDING RESTRICTIONS

- A. No less than 30% may be used for the provision of essential services;
- B. The City must allocate no less than 40% of total ESG dollars for homeless prevention and/or rapid rehousing activities; and
- C. No more than 10% may be used for staff cost related to operations (staff costs for security and maintenance are not a part of this limitation).

FEDERAL REQUIREMENTS

- A. The project must meet ESG and other federal requirements, including environmental regulations;
- B. Consolidated Plan Consistency - the activities proposed must be consistent with the City's Consolidated Plan. If the applicant's proposed activities are within the County of Kern's jurisdiction, those activities must be consistent with its Consolidated Plan;
- C. Participation in the area Continuum of Care (CoC);
- D. Registered and participating in HMIS data tracking; and
- E. Shelter Operation projects must complete a Habitability Checklist.

REPORTING REQUIREMENTS

Applicants approved for ESG funding shall maintain documents, records and accounts, personnel and financial records, and submit such financial and performance reports, as related to the eligible activity (Project), to the City. Project records will be retained for five (5) years after completion of the Project, or resolution of any applicable audit issues, whichever comes last. Any applicant approved for ESG funding shall also maintain client data demonstrating client eligibility for services provided. Such information shall include, but is not limited to, client name, address, income level, or other basis for determining eligibility, and description of service provided. Applicants shall also collect and maintain data regarding race, ethnicity, female head of household, and disability status of clients. Such information shall be submitted to the City of Bakersfield upon request.

TIME LIMIT

The City must encumber funds within six months from the start of the Fiscal Year, (City's Fiscal Year is from July 1 to June 30). All ESG funds must be expended within 24 months of the City/HUD agreement. Each successful applicant will be allowed to spend its allocation within 12 months of the date of the City/Applicant agreement. If funds are not spent within that time, the City will determine whether to extend the agreement or seek other ways to utilize the funds. Agencies that do not expend ESG funds in a timely manner will be determined to be non-responsive which could jeopardize future ESG allocations.

APPLICATION INFORMATION FOR EMERGENCY SOLUTIONS GRANT (ESG) FUNDS

In order to apply for ESG funds, please submit a narrative that includes the following information and associated material. If a question or topic is not applicable to your proposed project please state so on the application along with a brief explanation of why the question or topic does not apply. The application shall be on 8 1/2" x 11" white paper and organized in the order prescribed in the following section. The original application shall be bound (a 3-ring binder is sufficient), tabbed, sequentially numbered, and contain a table of contents. Applicants should make sure to include information that relates to the guidelines described in the previous section. The City reserves the right to adjust funding levels to maximize the funds that are to be utilized in ways that best meet the program goals.

PART ONE:

I. EXECUTIVE SUMMARY OF PROPOSAL

This should be a concise overview of all the major components of your proposal and must answer the questions-what, who, why, where, when, and how. Include the total cost and amount requested.

II. PROJECT DESCRIPTION

- A. Project Title - Provide a brief title that describes the nature of your proposal.
- B. Purpose and Detailed Description of the Project Components
 - 1. Describe in detail the activity(ies) the applicant proposes to carry out utilizing ESG funds, and the budget for each activity.
 - 2. Discuss under which eligible criteria the activity(ies) falls (Shelter, Outreach, Rapid Rehousing, Homeless Prevention, or HMIS).
 - 3. Estimate the amount of persons/households served through the project for the year.
 - 4. Discuss how the applicant proposes to document the progress of the activity(ies) and measure the success (or failure) of the activity(ies) over the term of the agreement.
- C. Nature and Level of Service – Document, to the extent possible, the nature and level of service of unmet homeless needs which will be addressed by the proposed activity(ies) and how the activity is an expansion of an existing activity or whether it is a new activity. The focus of proposed activities should be on unmet needs of the homeless population.

D. Jurisdictional Certification

1. For activities outside the city limits of Bakersfield, provide a certification from the County of Kern regarding consistency with the County's Consolidated Plan. For activities in the jurisdiction of the City's Consolidated Plan, the City's Economic and Community Development Department will make a determination as to consistency. The City will give preference to applications, which propose to meet needs within the jurisdiction of the City's Consolidated Plan.
2. State the extent to which the proposed activities will meet needs within the jurisdiction of the City's Consolidated Plan.

E. Proposed Rehabilitation/ Expansion of Existing Facility - For a facility rehabilitation project, the applicant must state its willingness and ability to operate the structure for the homeless for a minimum of ten years. If the applicant will utilize ESG funds through contractors, provide information on the contractors. State whether an environmental review has been conducted for the project site, and describe the level of review.

F. Describe the organization's activities to affirmatively market programs to persons of Limited English Proficiency and under-represented races/ethnicities.

G. Contact Person and Information

Please provide the name of a contact person for any questions related to this application. Also, include contact information and the preferred method of contact.

III. **PROJECT COST**

A. Funds Requested - State the amount of ESG funds requested. In the case that funds will be used for more than one activity, *provide an estimate of the funds that will be used for each activity.*

B. Other Funding - Provide information on the source(s) and amount(s) of matching funds or in-kind contribution. Indicate when the match is expected to be available and, in the case of volunteer time, the source of volunteers.

C. Spending Schedule - Provide a schedule for the spending of the ESG funds and matching funds.

IV. **PROJECT BENEFIT**

A. Discuss the project benefit and to what extent the proposed activities will help homeless people achieve a stable long-term situation.

B. Explain the applicant's definition of long-term stability.

C. Explain the projected performance based on City of Bakersfield ESG performance standards (See Attachment U). Provide an estimated numerical outcome.

D. Explain how the applicant will document that such stability has been achieved for a particular period of time. If the use of ESG funds is not intended to meet this objective, please explain.

V. APPLICANT INFORMATION

- A. State the mission of the organization.
- B. Provide a management and staffing plan as well as an organization chart.
- C. Discuss current and past agency experience as well as staff experience with federal, state and other funding programs, which would provide an assurance that funds will be spent in accordance with federal regulations and City requirements.
- D. Describe the agency's experience in operating and managing programs to assist the homeless. The City will consider multiple factors including the ongoing programs of the applicant, experience of the applicant in providing the same or similar activities, and past experiences in serving the homeless populations proposed to be served in the application.
- E. The organization's status with the Continuum of Care (Bakersfield Kern Regional Homeless Collaborative), registration/participation in the Kern County HMIS program.

VI. AUTHORIZATION TO APPLY

- A. Private Non-Profit Status - Provide documentation of the applicant's 501(c)(3) status.
- B. Budgetary Information and Performance Report - Provide prior and current year budgets and the most recent end-of-the-year performance report (i.e., persons/families served, projects completed, etc).
- C. Audits - Provide a copy of the most recent independent audit conducted by a certified public accountant. If there were any findings or exceptions, please explain.
- D. Authorized Signature - Attach an executed resolution from your governing body (e.g., Board of Directors), authorizing application for ESG funds and appointment of representative signatory. An example of an authorizing resolution can be found in Appendix H.

VII. BUSINESS PLAN

See Appendix A for Part 2 of this application, which is your organization's Business Plan. No application is considered complete without a Business Plan. Any funding applications received without a Business Plan will not be considered for funding.

VIII. COVID-19 RELATED IMPACTS

Does this project directly prevent, prepare for, and/or respond to Coronavirus? If so how? Has your organization received CARES funds for this purpose? If so how much, and from what entity? Please describe how the requested funds will meet the remaining gap.

SUMMARY OF REQUIRED EXHIBITS

The application format described above lists several documents that must be submitted in support of your written proposal. For quick reference, the following exhibits need to be included in your application. Depending on whether you are proposing a program or construction-related project, some exhibits may not apply.

1. Certification from County of Kern Regarding Consistency with the Consolidated Plan (only required if the proposed project is outside the Bakersfield city limits) (see II.D.1)
2. Project Spending Schedule (see section III.C above)
3. Project and Current Year Budgets (see section VI.B above)
4. Recent End-of-the-year Performance Report (see section VI.B above)
5. Recent Independent Audit Conducted by a CPA (see section VI.C above)
6. Authorizing Resolution for Application (see section VI.D above and Appendix H)
7. Business Plan (see section VII above and Appendix A)
8. Language Access Analysis (Appendix Q)

APPENDICES

Appendix A

BUSINESS PLAN

To assist City staff in evaluating your proposal, all applicants must provide a plan that reflects all of the details of their business activities (e.g. services you provide, the market you serve, your organizations management team, your financial situation, and a risk analysis). This Appendix is to be used as a guide.

A. Mission Statement

1. The plan should provide the organization's statement of purpose (mission statement) and an executive summary of the service or product to be provided.

B. Evaluate the Market

1. Numbers: market size (how many people), geographical area served, trends, demographics.
2. Client preferences and characteristics.
3. Location considerations.
4. Pricing considerations (if applicable).
5. Special characteristics of your market.
6. Big picture issues that impact your market.
7. Demand for your services or products, etc.

C.. Competitor Analysis

1. What organizations provide the same service as your organization?
2. How do you differ from those organizations?
3. How do you compare in delivery of services?

D. Organizational Plan

1. Legal Structure (provide a complete description of your legal structure)
 - a. Is your organization a nonprofit or for profit entity?
 - b. Does your status allow your organization to perform the activities it proposes to do?
2. Organizational Structure
 - a. How are board members selected?
 - b. Do board members serve for unlimited terms?
 - c. Do community members have a voice in the selection of board members?
 - d. Who are the board members (list positions and descriptions)?
 - e. What are the roles of the board members, committees, advisory boards and management staff?
 - f. Who is the Executive Director?
 - g. Who makes key administrative decisions for the organization?
 - h. Who are the organization's advisors? Does the organization have an administrative procedures handbook? If so, when was it approved?
 - i. Give summary of sites and facilities owned/operated by the organization.

E. Financial Plan

1. Projected operating budget (funds used to pay for the day-to-day, ongoing costs of the organization such as payroll, supplies, rent, etc.).
2. Projected start-up budget (if applicable; an estimate of all costs required in the startup of a new business venture, as opposed to operating the activities on a day-to-day basis).

3. Projected capital budget (funds to be used to finance a construction project, etc.). See Appendix N.

F. Marketing/Fund Raising Strategy

1. Image Goals (describe the way you want your clients and the outside world to view your organization).
2. Fund Raising Goals (state the amount of resources in dollars your organization needs to provide its services; describe the activities your organization will implement to raise any funds needed).
3. Funding sources your organization currently accesses or will access to provide operational dollars.

G. Risk Analysis

1. What could go wrong with the organization's implementation of services?
2. What is your contingency plan in the event something goes wrong?

H. Additional Information - Provide a brief narrative regarding each of the following as they relate to your organization.

1. Experience in operating and managing the programs proposed for the project site.
2. Experience in providing services for low- and moderate-income persons and/or persons presumed to be low to moderate (i.e. homeless, disabled, etc.).
3. How your organization will assure that your services to be provided for the proposed project will remain non-religious and non-political.
4. Has your organization ever brought suit against the City or another party or government entity? If yes, please explain.
5. Is your organization currently pursuing or involved in litigation? If yes, please explain.
6. Attach a copy of your organization's strategic plan over the next two to five years.

I. Appendices

1. Resumes of Key Personnel (Chairman or President of the Board, Executive Director, Operations Manager, Service Coordinator, etc.)
2. Job Descriptions of Key Personnel (from #1)
3. Organization's Financial Reports for last three years
4. Letters of Support (no more than three)
5. Articles of Incorporation
6. By Laws
7. Tax Exemption Certificate (if applicable)
8. Current budget
9. If you are applying as a non-profit entity, please attach a copy of your most recent Form 990.

Note: This Business Plan is Part Two of the funding application and must be submitted with Part One. Applications not submitted with this plan are incomplete and will not be considered for funding. The funding application is not complete if all appendices listed above are not included or addressed. In addition, the applicant's Business Plan must contain a **table of contents**.

Appendix B

RENTAL OR OWNERSHIP HOUSING PROJECT

Please provide the following information with your HOME Project Application:

- A. Project Development Costs - basic cost assumptions used to analyze the project, broken down into three components: land costs, direct construction costs, and indirect construction costs. The indirect costs should include soft and transaction costs and project financing assumptions, including the loan amount, equity contribution, assumed interest rates and return on equity requirements. The project cost statement (development budget) should be thorough and complete.
- B. Feasibility Analysis - tests the project economics assuming no income restrictions are applied. The analysis of an all market rate project is performed to evaluate whether the project is financially feasible, and to quantify any economic shortfall, i.e., the feasibility gap. The results of this analysis are used to establish a baseline against which the impact created by the imposition of income restrictions will be measured.
- C. Rent Schedule - the proposed project's unit mix, assuming the units are rented without income restrictions. Information regarding the number of bedrooms/bathrooms, followed by the unit square footage, the number of units of each type, and the assumed average market rent for each type of unit should be provided.
- D. Estimated Net Income - calculates the gross rental income and the resulting net operating income generated by the market rate project. The number of units in each unit type and the market rent, supplemented with any miscellaneous/laundry income should be identified. The gross income is reduced by a vacancy/bad debt allowance and annual operating expenses, in arriving at net operating income.
- E. Feasibility Gap Analysis - Based on the net operating income determined in the estimated net income, the warranted investment is calculated to determine the supportable project value. The warranted investment is comprised of the level of debt and equity supportable by the project income. If the development costs associated with acquiring the land and building the project are greater than the total warranted investment, a feasibility gap exists.
- F. Income Restricted Operating Pro Forma Analysis - tests the economics of the project if all or a portion of the units are restricted to very low, low or moderate income households. To quantify the impact associated with setting aside the units for income-restricted households, pro forma analysis must be conducted. The applicant must furnish a pro forma (project income and expense statement) which includes achievable rent levels, market vacancies and operating expenses and also specify the consequences of tax benefits, if any, and any other assumptions used in calculating the project cash flow to determine the reasonableness of the rate of return on the equity investment. The pro forma should represent, at a minimum, the term of the HOME affordability requirements but longer if applicable (e.g. if HOME funded 20 years for low- and moderate-income housing that is new construction or acquisition). Note – N/A for ownership housing projects. The pro forma income and expense schedule should be thorough and complete.
- G. Rent Schedule - the rental schedule for an affordable multi-family project. The unit type, followed by the square footage of that unit type, the number of units of that type, and the assumed average market rent should be completed. The affordable rents are identified on the application form, and have been calculated based on the 2009 Bakersfield household income figures or later provided by HUD. Affordable rents are defined as the rent level that requires the household to allocate no more than 30% of their gross income to housing related expenses, taking into account monthly utility expenses. Note – N/A for ownership housing projects.

- H. Estimated Net Income - the rental income for the affordable project by each unit type, with rents priced at market, low- and moderate-income and very low-income. The rental income is supplemented with any miscellaneous/laundry income. The gross income is reduced by a vacancy/bad debt allowance and annual operating expenses, to arrive at net operating income.
- I. Sources and Uses Statement – a summary of the costs planned for the total project and the sources of revenue to cover these costs.
- J. Affordability Gap Analysis - Based on the net operating income calculated for the income-restricted project, the warranted investment is calculated to determine the supportable project value. The warranted investment is comprised of the level of debt and equity supportable by the affordable project income, in addition to any proceeds generated from the syndication of a Low Income Housing Tax Credit housing project. To determine the affordability gap, it is necessary to subtract the warranted investment in the income-restricted project from the warranted investment in the market rate project. Any City of Bakersfield assistance funds would only be applied to the affordability gap. Note – N/A for ownership housing project.
- K. Target Audience – identify in detail the low-income target population your proposed project will be serving and the estimated (current) demand for your housing product in light of the current supply of affordable housing.

Appendix C

CITY OF BAKERSFIELD ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT SAMPLE BID ANALYSIS FORM

Agency Contract # _____

Project Name: _____

Total Budget: _____

Bid Opening Date: _____ BID Location: Company Name _____

Time of Opening: _____ Street Address _____

Advertisement Date: _____ Bakersfield, CA 933XX

of Bids Received: _____

Apparent Low Bidder: _____

Bid Amount: \$ _____ Engineer's Estimate \$ _____

Item List:	Yes	No	
Prepared in ink	<input type="checkbox"/>	<input type="checkbox"/>	
Unit prices reasonable	<input type="checkbox"/>	<input type="checkbox"/>	
Extension prices correct	<input type="checkbox"/>	<input type="checkbox"/>	
Total bid amount correct	<input type="checkbox"/>	<input type="checkbox"/>	
Bid appears balanced	<input type="checkbox"/>	<input type="checkbox"/>	
Bid amount reasonable	<input type="checkbox"/>	<input type="checkbox"/>	% of Engineer's Estimate
Comments: _____			

MBE/WBE Status:	Yes	No	N/A	
All listed MBE/WBE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Project MBE/WBE goal _____ %
Proper credit taken	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bid achievement _____ %
Listed as subcontractors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
MBE/WBE goal attained	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Good faith effort made	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Comments: _____				

Section 3 Status (if construction contract exceeds \$100,000):

Yes No N/A

All listed contractors certified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Project goal (contractors)	_____ %
All listed subcontractors certified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bid Achievement (contractors)	_____ %
Section 3 goal (contractor) obtained	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Project goal (employees)	_____ %
Section 3 goal (employee) obtained	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bid achievement (employees)	_____ %
Greatest extent feasible made	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Bid amount reasonable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Comments: _____

Curable Minor Defects? If yes, please explain: _____
Bid Recommendation: _____

Prepared By:	Supervisor Review
	By: _____
Title: _____	Date: _____
Date: _____	Accept or Reject: _____

Appendix D

HOME Funding Rent Limits and Maximum Per-Unit Subsidy

HOME MAXIMUM PROGRAM RENTS*					
PROGRAM	EFFICIENCY	1 BDRM.	2 BDRM.	3 BDRM.	4 BDRM.
Bakersfield, CA.					
Low HOME rent limit	\$612	\$656	\$787	\$908	\$1013
High HOME rent limit	\$734	\$743	\$970	\$1147	\$1260
Fair Market rent	\$734	\$743	\$970	\$1388	\$1679

*As of 10/2021

E. HOME MAXIMUM PER-UNIT SUBSIDY**	
F. Bedrooms	G. HOME Maximum Subsidy
H. 0	I. \$153,314
J. 1	K. \$175,752
L. 2	M. \$213,718
N. 3	O. \$276,482
P. 4+	Q. \$303,490

**As of 10/2020

Appendix E

CURRENT LOW- AND MODERATE-INCOME GUIDELINES FOR CDBG, HOME AND ESG

Families whose annual incomes are equal to or less than those listed below are determined to be low- and moderate-income families (accessed 10/11/2021):

Bakersfield, CA MSA (Median Income: \$59,700)

Number of Persons in Family	30% Median	50% Median	80% Median
1	\$14,650	\$24,400	\$39,050
2	\$17,420	\$27,900	\$44,600
3	\$21,960	\$31,400	\$50,200
4	\$26,500	\$34,850	\$55,750
5	\$31,040	\$37,650	\$60,250
6	\$35,580	\$40,450	\$64,700
7	\$40,120	\$43,250	\$69,150
8	\$44,660	\$46,050	\$73,600

The following client groups are generally presumed by HUD to be principally low/mod income persons: abused children, elderly persons, battered spouses, homeless persons, adults meeting Bureau of Census definition of severely disabled persons*, illiterate adults, persons living with AIDS, and migrant farm workers.

*Persons are considered severely disabled if they meet the following criteria:

1. Use a wheelchair or another special aid for six months or longer;
2. Are unable to perform one or more functional activities (seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking), needing assistance with activities of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating and toileting) or instrumental activities or daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework and using the telephone);
3. Are prevented from working at a job or doing housework;
4. Have a selected condition including autism, cerebral palsy, Alzheimer's disease, senility or dementia, or mental retardation;
5. Are under 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI).

Appendix F

Low- and Moderate-Income Qualification Form (based on income status)

Applicant's name (please print): _____
(First) (Middle) (Last)
Social Security # of persons in family:
Number: _____

NOTE: Applicant must be at least 18 years of age or emancipated minor.

(area below is to be completed by interviewer)

- 1 ☐ **This applicant is a qualified low income household based upon the following criteria** (check one):
- ☐ the applicant's sole income is assistance from government programs, such as AFDC or Food Stamps.
 >>Attach evidence of such assistance<<
 - ☐ the applicant has provided self-certification of family income with signature.
 >>Attach completed Income Self-Certification<<
- 2 ☐ **This applicant is not a low income qualified household** (note: if applicant's family income is greater than 80% of median as identified in the attached *Income Self-Certification*, the applicant is not low income).

Interviewer's signature: _____

Today's date: _____

(area below to be completed by public/non-profit agency)

This person was interested in using the facility at _____

Demographics:

A. Female Head of Household? ☐ Yes ☐ No

B. What is the ethnicity of the family? _____

Supervisor's Signature: _____

Appendix G

Income Self-Certification

Applicant's name (please print): _____
First Middle Last

My current yearly family income is equal to or less than the income level I have indicated below for my family size. I understand this information is subject to verification by authorized officials.

Instructions:

1. Find the number of persons in your family on the chart below.
 2. Circle this number.
 3. Next to this number are dollar ranges. Circle the one, which includes your family income. *
1. Sign and date this form below.

Number of Persons in Family	30% Median	50% Median	80% Median
1	\$14,650	\$24,400	\$39,050
2	\$17,420	\$27,900	\$44,600
3	\$21,960	\$31,400	\$50,200
4	\$26,500	\$34,850	\$55,750
5	\$31,040	\$37,650	\$60,250
6	\$35,580	\$40,450	\$64,700
7	\$40,120	\$43,250	\$69,150
8	\$44,660	\$46,050	\$73,600

* As of 10/2021

I affirm under penalty of perjury that this income self-certification is true and correct to the best of my knowledge.

Signature of applicant: _____

Print applicant's name: _____ Today's date: _____

Appendix H

SAMPLE RESOLUTIONS

In order to apply for the funding programs listed in this handbook, the City of Bakersfield requires that organizations having a governing body (such as a Board of Directors) submit an approved resolution with the application packet, stating that the governing body has knowledge of and authorizes the application. Therefore, to assist you in this process, a sample resolution authorizing application for City funding can be found below in Sample #1.

Likewise, if the City of Bakersfield approves the proposed project, the next step is an agreement for the funding between the applying organization and the City of Bakersfield. Depending on your organization's by-laws, your governing body may also need to approve execution of that agreement. Thus, an example of a resolution to accept funds and approve an agreement can be found in Sample #2. This resolution is not required at the time the application is submitted.

Sample Resolution #1 Language

Authorization to Apply for City Funding (*required to be submitted with application*)

Resolution

The Board of Directors of XYZ NONPROFIT, owners of the GENERIC at 123 MAIN STREET, met on FEBRUARY 28, xxxx, in Bakersfield, California at a scheduled Board meeting and resolved as follows:

RESOLVED, XYZ NONPROFIT, a California non-profit organization, hereby requests the City of Bakersfield to provide financial assistance in the total amount of (*funding amount requested*) for (*Purpose of financial assistance requested*).

FURTHER RESOLVED, the President or the President's designee XYZ NONPROFIT, is hereby authorized to request this course of action by completing any and all application documents for submittal to the City of Bakersfield on behalf of XYZ NONPROFIT.

APPROVED, by a majority vote of the Directors of XYZ NONPROFIT, this _____ day of _____, 200x.

Name

Title

Sample Resolution #2 Language

Execution of Agreement and Acceptance of Funds and Obligations

Resolution

The Board of Directors of XYZ NONPROFIT, owners of the GENERIC at 123 MAIN STREET, met on FEBRUARY 30, XXXX, in Bakersfield, California at a scheduled Board meeting and resolved as follows:

RESOLVED, XYZ NONPROFIT, a California non-profit organization, hereby accepts the financial assistance from City of Bakersfield in the amount of \$xxx,xxx, and the obligations that accompany said funds, to (*Purpose of financial assistance*).

FURTHER RESOLVED, the President of XYZ NONPROFIT, is hereby authorized to execute any and all legal documents on behalf of XYZ NONPROFIT required to secure said financial from the City of Bakersfield.

APPROVED, by a majority vote of the Directors of XYZ NONPROFIT, this _____ day of _____, XXXX.

Name

Title

Appendix I

INDEMNIFICATION AND INSURANCE

TENTATIVE LANGUAGE FOR PROJECT AGREEMENT

The (name of sub recipient) shall indemnify, defend, and hold harmless HUD, CITY, its officers, agents, and employees against any and all liability, claims, actions, causes of action or demands whatsoever against them, or any of them, before administrative or judicial tribunals of any kind whatsoever, arising out of, connected with, or caused by (name of sub recipient), (name of sub recipient)'s employees, agents, independent contractors, companies, or subcontractors in the performance of, or in any way arising from, the terms and provisions of this Agreement whether or not caused in part by a party indemnified hereunder, except for CITY's sole active negligence or willful misconduct.

In addition to any other insurance or bond required under this Agreement, the (name of subrecipient) shall procure and maintain for the duration of this Agreement the following types and limits of insurance ("basic insurance requirements" herein):

Automobile liability insurance, providing coverage on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than One Million Dollars (\$1,000,000) per occurrence; and the policy shall:

1. Provide coverage for owned, non-owned and hired autos.

Broad form commercial general liability insurance, unless otherwise approved by the CITY's Risk Manager, providing coverage on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than One Million Dollars (\$1,000,000) per occurrence; and the policy shall:

1. Provide contractual liability coverage for the terms of this Agreement.
2. Contain an additional insured endorsement in favor of the HUD, CITY, its mayor, council, officers, agents, employees and designated volunteers.

Workers' compensation insurance with statutory limits and employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence; and the policy shall contain a waiver of subrogation in favor of HUD, the CITY, its mayor, council, officers, agents, employees and designated volunteers.

Except for professional liability, all policies required of the (sub recipient) shall be primary insurance as to HUD, the CITY, its mayor, council, officers, agents, employees, or designated volunteers and any insurance or self-insurance maintained by the CITY, its mayor, council, officers, agents, employees, and designated volunteers shall be excess of the (sub recipient's) insurance and shall not contribute with it.

Except for workers' compensation, insurance is to be placed with insurers with a Bests' rating as approved by CITY's Risk Manager, but in no event less than Bests' A-VIII. Any deductibles, self-insured retentions or insurance in lesser amounts, or lack of certain types of insurance otherwise required by this Agreement, or insurance rated below Bests' A-VIII, must be declared prior to execution of this Agreement and approved by the CITY in writing.

Unless otherwise approved by CITY's Risk Manager, all policies shall contain an endorsement providing the CITY with thirty (30) days written notice of cancellation or material change in policy language or terms. All policies shall provide that there shall be continuing liability thereon, notwithstanding any recovery on any policy. Copies of policies shall be delivered to CITY on demand.

The insurance required hereunder shall be maintained until all work required to be performed by this Agreement is satisfactorily completed as evidenced by written acceptance by the CITY.

The (sub recipient) shall furnish the City Risk Manager with a certificate of insurance and required endorsements evidencing the insurance required. The CITY may withdraw its offer of contract or cancel this contract if certificates of insurance and endorsements required have not been provided prior to the execution of this Agreement.

Full compensation for all premiums, which, the (sub recipient) is required to pay described herein shall be considered as included in the prices paid for items of work to be performed under the Agreement and no additional allowance will be made.

It is further understood and agreed by the (sub recipient) that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance obtained and carried by the (sub recipient) in connection with this Agreement.

Unless otherwise approved by the CITY, if any part of the work under this Agreement is subcontracted, the "basic insurance requirements" set forth above shall be provided by, or on behalf of, all subcontractors even if the CITY has approved lesser insurance requirements for (sub recipient).

Appendix J

SAMPLE

ABBREVIATED PROJECT IMPLEMENTATION CHECKLIST/TIMELINE CITY OF BAKERSFIELD ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT

*For Funded Projects Utilizing City Community Development Block Grant (CDBG),
HOME Investment Partnership (HOME), and Emergency Shelter Grant (ESG) Funds*

Project Title: _____

Recipient: _____

Project Year: _____ Budget/Address: _____

Project Contact Person: _____ Phone Number: _____

City Contact Person: _____ Phone Number: _____

OPERATING STEPS		RESPONSIBLE PARTY		ESTIMATED DATE OF COMPLETION
		RECIPIENT	CITY	
ALL PROJECTS				
1.	Underwriting/financial project review		X	
2.	Appropriation of Federal Funds		X	
3.	Env. Review/Phase I - Hazard Materials (if applicable) Lead Based Paint (LBP) Risk Assessment (if applicable) Env. Review/Phase II – Testing and Sampling with Recommendations (if applicable)	X		
4.	Release of Funds if (Completed NEPA review per HUD)		X	
5.	Prepare Draft Agreement		X	
6.	Review of Draft Agreement	X		
7.	Execution of Agreement (requires City Council action)	X	X	
8.	Execution of Purchase Order		X	
9.	Subrecipient Orientation*- Kick off project management mtg	X	X	
PROPERTY ACQUISITION PROJECTS				
10.	Narrative Appraisal (if applicable) & Second Review	X	X	
11.	Acquisition of Real Property (if applicable - see attached sample checklist for property acquisition)	X	X	
CONSTRUCTION & REHABILITATION PROJECTS				
12.	Request for Proposals (RFP) Design Preparation (if applicable)**	X		
13.	Selection of Consultant (if applicable)	X		
* Technical assistance is available from Economic and Community Development staff.				
** If no HUD funds are to be used for acquisition or engineering/design related costs steps 9 thru 14 can be ignored.				

OPERATING STEPS	RESPONSIBLE PARTY		ESTIMATED DATE OF COMPLETION
	RECIPIENT	CITY	
14. Price/Cost Analysis of Bids (for design)	X		
15. Execution of Design Agreement	X		
16. Kick off Notice to Proceed mtg. (with City/subrecipient staff) – if already completed per step 8 this could be ignored	X	X	
17. Preparation of Bid Package	X		
18. Review of Bid Package to Federal Requirements		X	
19. Bidding Process (3 - 4 weeks) – Public Notice to Contractors	X		
20. Pre-Bid Conference (during bidding time) A. Wage Compliance Procedure Guidelines B. Discuss Verification of Contractor(s) Eligibility C. Discuss Section 3 requirements (if applicable) D. Discuss Bidding Deadlines and Project Coordination	X	X	
21. Review Bids (bid analysis form) - Price/Cost Analysis	X	X	
22. Determine Contractor(s) Cleared by HUD	X		
23. Approval by Subrecipient of Construction Award(s)		X	
24. Contract(s) Award – Subrecipient executes contracts	X		
25. Preconstruction Phase: A. Pre-Construction Conference mtg. (Precon) B. Reverification of Wage Rates and Monitoring C. Verification of Apprentice and Training Programs D. Importance of Labor Standards Enforcement File E. Conference Minutes	X	X	
26. Project Notice to Proceed to Contractor(s)	X		
27. Project Begins (work starts)		X	
28. Construction Quality Control & Supervision	X		
29. Project Monitoring***	X		
A. Employee Compensation & Site Interviews 1. Prevailing Wage Audit 2. Letters to Obtain Prevailing Wage Compensation	X	X	
B. Review and Sign Off on Project Payrolls	X		
C. Review and Sign Off on Partial Payments	X	X	
D. Above Monitoring Information sent to City 1. Determine if in compliance or need for wage restitution or withhold payments.	X	X	
30. Insure compliance with Section 3 if \$100,000 or more for construction	X		
31. Amendments to the Contract (Change Orders)	X	X	
32. Price/Cost Analysis (If there are change orders)	X		
33. Project Completion/Final Walk-Through (Notice of Completion Filed)	X	X	
*** Copies of project monitoring information must be provided to City on a timely basis prior to City making partial or final payments.			

OPERATING STEPS	RESPONSIBLE PARTY		ESTIMATED DATE OF COMPLETION
	RECIPIENT	CITY	
34. Project Close-out Summary Report****	X		
35. Final Payment (10% retention)	X	X	
36. HUD/EDCD Audit for CD Project File (Close out) *****		X	
37. Ribbon Cutting Ceremony (optional)	X		
<p>**** Depending on the nature of activity, the project to be assisted with City funds may take six to eighteen months for completion after project is funded on July 1</p> <p>***** Need final wage compliance and Section 3 (if HUD funded construction funds exceeds \$100,000) summary report verifying or attesting to compliance with federal labor standard provisions and related acts. Close-out project summary report should identify date(s) interviews were conducted and any discrepancies identified; and any corrections/resolutions affecting the project. Must be signed by appropriate agency official and submitted to City Economic and Community Development Department (EDCD) before release of final payment.</p> <p>The project that is receiving funds for construction or rehab must have documentation that reflects basic construction record keeping (the agency/developer receiving the assistance is primarily responsible for this record keeping unless EDCD is the lead agency then the responsibility lies with the department). The project file should include: correspondence, transmittals, meeting minutes, contract documents, contract change orders, information requests, schedules and updates, bid submittals, progress reports, payment requests, construction photos, punch lists, construction cost records, inspection records, lien releases, and other project record documents such as certified payrolls, field logs, signed off permits and a Notice of Completion.</p>			

Appendix K

CITY OF BAKERSFIELD ECONOMIC AND COMMUNITY DEVELOPMENT DEPARTMENT ACQUISITION CHECKLIST FOR HUD FUNDED PROJECTS

BACKGROUND

Project Name:			
Address of Site:			
Project Description:			
Owner of Site:			
Address of Owner:			
Owner's Phone/Fax:		Real Estate Agent/Phone	
Date Acquisition Began:		Project Manager:	
Voluntary Acquisition?		Building Vacant or Occupied?	
Involuntary Acquisition?			
If occupied, occupants residential or commercial owners?:			and/or
If occupied, occupants residential or commercial tenants?			

IMPLEMENTATION

OPERATING STEPS	DATES AND COMMENTS
1. Official determination to acquire	
A. Date budget item approved by Council (type of funding source)	
B. Date agreement signed if a sub-recipient is involved	
2. Appraisal bids sought (not required if using annual contract)	
3. Preliminary Title Report ordered	
4. Date General Information Notice & Notice of Interest sent	
5. If involuntary acquisition, date Notice of Intent to Acquire sent to Property Owner (if applicable, relocation booklets mailed – see next step)	
6. Date property owner, and tenants receive URA brochure information	
7. Relocation initiated (if required)	
8. Condemnation guarantee obtained (only if required)	
9. Date appraiser notified to appraise	
10. Meet with Property Owner & tenants; give information and answer questions (verify citizenship)	
11. Letter to Property Owner regarding cooperating with appraiser	
12. Appraisal completed	
13. Review appraisal completed (signed statement provided)*	

* **Note:** The review appraiser must be satisfied with the correctness of the appraiser's opinion of fair market value (see 49 CFR 24.104 and/or HUD Handbook 1378 for review appraisals), and the review appraiser's certification of recommended approval or denial of the valuation process must be in writing

OPERATING STEPS	DATES AND COMMENTS
14. Just compensation established (closed Council session approval if under Eminent Domain)	
15. If voluntary acquisition, was there an administrative settlement (if so, was there a written justification in the file – state dollar amount in comment section)	
16. Date of initiation of negotiations and just compensation letter sent (initial written purchase offer with summary of just compensation)	
17. Letter mailed to occupant of acquisition regarding initiation of negotiations and their rights – for tenants it is called Notice of Eligibility (if applicable)	
18. Date owner accepted offer (state amount of offer in comment section)	
19. Prepare Purchase Agreement (if necessary) and ask for preliminary estimated escrow costs from title company in writing	
20. Come to an Agreement on relocation claims (if applicable) Order city escrow check (includes selling price & escrow charges)	
21. Property placed into escrow	
22. Date final Agreement executed (by all parties)	
23. Date condemnation proceedings instituted (if required)	
24. Date estimated just compensation deposited with Courts (if necessary – i.e., eminent domain proceedings completed)	
25. Claim Voucher prepared	
26. City check delivered to Escrow	
27. Date of 90-Day Notice to Vacate Property **	
28. Date title vested to City/RDA (secure & take pictures of property)	
29. 30 Day Notice to Vacate to occupants sent	
30. Relocation form 40055/40056 completed for non-residential tenants (if applicable)	
31. Relocation check delivered to tenant-occupant (if applicable)	
32. Relocation check to owner (if applicable)	
33. Date of surrender of possession by occupant to owner	
** Note: If City staff is in agreement, occupants may request to extend occupancy beyond close of escrow. If this occurs, the 90 Day Notice should be arranged to end when the lease agreement expires.	

Final Comments:

Date and signature file was satisfactorily closed out by the organization's Project Manager:

Date: _____ Project Manager Signature: _____

Project Manager Printed Name: _____

Appendix L

COST REIMBURSEMENT, AUDIT, AND FINANCIAL REPORTING STANDARDS

OMB Circular A-122

Purpose: This Circular outlines the principles for determining reimbursable costs of work performed connected to projects funded by HUD grants, contracts, and agreements between most non-profits and the City of Bakersfield. This circular does not apply to colleges, universities, or hospitals. All applicants need to detail specific expected project costs, separating allowable costs from other costs.

OMB Circular A-133

Purpose: This Circular outlines the standards for consistency and uniformity of Federal agencies for the audit of non-Federal entities expending Federal awards. The Auditor may be a public accountant or a Federal, State, or local government audit organization. The Auditor may not be an internal auditor for the non-profit agency. Audits must meet the standards of generally accepted government auditing standards (GAGAS). Non-Federal agencies expending \$300,000 or more of Federal awards in a year must conduct a single or program specific audit. Non-Federal agencies expending less than \$300,000 are exempt from this requirement but **MUST** maintain and make available clear records of all program costs including both allowable reimbursable costs as well as non-reimbursable costs.

OMB Circular A-110

Purpose: This Circular outlines the standards for uniformity in the administration of Federal grants and agreements awarded to colleges, universities, hospitals, or other non-profits agencies. Sections A-110.21 through A-110.28 detail the standards for the non-profit agency's financial management system and rules for satisfying cost sharing and matching requirements, accounting for program income, and determining allowable costs.

Non-profit agencies must maintain an accounting system in which transactions are handled, records are kept, and reports are generated to its Board of Directors in a manner that contents of the financial reports are traceable to the original supporting documentation of all financial transactions.

The Agency's accounting system must meet the following standards:

- Segregation of restricted funds from non-restrictive funds
- Segregation of unallowable costs with allowable costs
- Segregation of direct from indirect costs.
- Proper assignment and allocation of costs to functional classifications
- Matching income and applicable credits with associated expenditures
- Timely reconciliations of accounts and sub-ledgers
- Time-charging systems for labor costs
- Timely and accurate financial reporting

For compliance with federal regulations, the Agency must:

- Show effective control over and accountability for all funds, property, and other assets
- Show comparisons of outlays with budgeted amounts
- Have written internal controls over purchasing, cash disbursements, and cash receipts, including segregation of duties and proper authorization and approval of transactions
- Perform periodic internal and external audits of evaluations
- Written record retention policies
- Documentation of accounting policies, particularly those pertaining to cost charging, timesheet preparation, and procurement

Appendix M

RENTS AND TENANT ELIGIBILITY

The City of Bakersfield uses the definition of income as determined 24 CFR Part 5. 5609 to determine tenant eligibility. If the total amount of income received by all occupants of a dwelling is at or below 80% of the corresponding median income, the household is considered “Low- and Moderate-income.” If the total amount is at or below 50% of median income the household is designated as “Very-low –income.” If the total amount is at or below 30% of median, income the household is designated as extremely low income.

Unlike other federal programs, the HOME Program distinguishes between the units in a project that have been assisted with HOME funds and those that have not - hence the term HOME-assisted unit. This distinction between HOME-assisted and unassisted units allows HOME funds to be spent on mixed-income projects while still targeting HOME dollars to income-eligible households.

- The HOME rent and occupancy rules only apply to the HOME-assisted units
- The number of HOME-assisted units are specified in the Project Agreement

For projects with both assisted and unassisted units, the City must select either “fixed” or “floating” units at the time of the Project commitment.

- Fixed: When HOME-assisted units are “fixed,” the specific units that are HOME-units are designated and never change.
- Floating: When HOME-assisted units are “floating,” the units that are designated as HOME-units may change over time as long as the total number of HOME-assisted units in the project remains constant and each unit is comparable in terms of size, features, and number of bedrooms. A one-bedroom unit may not be substituted for a three bedroom unit.

The “Project Rule” specifies in projects of five or more HOME-assisted units, at least 20% of the assisted units must be occupied by families who have annual incomes that are 50% or less of median income. These very-low-income tenants must occupy units at or below the Low HOME Rents level. Projects with less than five HOME-assisted units do not have to follow the Project Rule. Income is the determinant.

The City of Bakersfield understands that applicants will, at times, receive additional funding sources to match the City’s HOME investment to create affordable housing. Often these sources include preferences for particular groups. Preferences include, but are not limited to, veterans, formerly homeless individuals, farmworker families, etc. While the City of Bakersfield does not require a preference for the use of its funds, the City will allow

applicants to designate HOME units in conjunction with units subsidized by another funding source which requires a tenant, so long as the following criteria are met:

- The tenant meets the requirements of the HOME program
- The preference is **only** required due to the stipulations of another Federal, State, or local source which is invested in the project
- The preference does not violate nondiscrimination requirements in accordance with 24 CFR 92.350.

If a tenant's income has increased above the 50% of median income but does not exceed 80%, the unit is allowed to become a High HOME Rent unit. Households with incomes that have increased to above 80% of median do not have to vacate their units when their rent exceeds that limit, but their rent must be increased. Tenants living in a unit that is designated as "fixed" who no longer qualify, as low- and moderate-income families must pay as rent the lesser of the amount payable by the tenant under State or local law, or 30% of the family's adjusted income. An exception may exist for tenants of HOME-assisted units that have been allocated low-income housing tax credits by a housing credit agency. In addition, in projects in which the HOME units are designated as "floating," tenants who no longer qualify as low- and moderate-income are not required to pay as rent an amount that exceeds the market rent for comparable, unassisted units in the neighborhood. See chart on next page.

Rent Reassessment upon Re-certification

Tenant's current rent level	Tenant's income at re-certification	
	50% - 80% of Median	> 80% of median
Low HOME Rent Tenants	Tenant's rent can increase to High HOME rent	Tenant in a fixed unit pays the lower of: <ul style="list-style-type: none"> • 30% of adjusted income • controlled rent (if rent is controlled)
High HOME Rent Tenant	Tenant continues to pay HIGH HOME rent	Tenant in a floating unit pays the lower of: <ul style="list-style-type: none"> • 30% of adjusted income if in a fixed unit • market rent • controlled rent (if rent is controlled)

Facilities with HOME-assisted units may not refuse to rent/lease to a certificate/voucher holder under the Section 8 Program, or to a holder of a comparable document evidencing the participation in a HOME tenant-based rental assistance (TBRA) program because of

the status of the applicant as a holder of such a certificate.

The Housing Authority of the County of Kern (HACK) establishes monthly allowances for utilities. There are two schedules, one for units that meet current State of California Energy Efficiency Standards and another for those that do not. Generally, if the complex was built prior to 1999 it will not meet those standards. To obtain the utility schedules call HACK at 631-8500.

HUD provides the following maximum HOME rent limits. The maximum HOME rents are the lesser of:

- The fair market rent for existing housing for comparable units in the area (see 24 CFR 888.111);
- A rent that does not exceed 30% of the adjusted income of a family whose annual income equals 65% of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit and utility allowances.

The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD provides this information at two websites.

Incomes can be found at:

<https://www.hudexchange.info/programs/home/home-income-limits/>

Rents can be found at:

<https://www.hudexchange.info/programs/home/home-rent-limits/>

The required frequency of on-site post-monitoring is set by HUD and described fully in 24 CFR 92.504(d). The project agreement will require compliance with the HOME programs adopted post-monitoring requirements. Frequency will be adjusted for projects that are determined to be high risk and/or that have annual compliance reports indicating compliance issues that require more frequent follow-ups.

The Project owner is responsible for collecting and retaining information determining tenant eligibility as well as developing a system to re-certify tenant income annually. Tenant income is likely to change over time. If these changes occur during the affordability period, the Project owner must take certain steps to maintain compliance with rent and occupancy requirements. The owner can use three different methods to do this:

- collect and evaluate source documentation;
- obtain a written statement from the family indicating family size and annual income as well as a statement that the information provided is complete and accurate and

source documentation will be provided upon request; or

- obtain a written statement from the administrator of another government program under which the family receives assistance verifying annual gross income and family size or current income limits for the program with a statement that the family's income does not exceed the limits.

The property owner is required to obtain full source documentation every sixth year.

Appendix N

SAMPLE SOURCES AND USES STATEMENT

Include a Sources and Uses of Funds Statement in the financial portion of your business plan.

Sources and Uses of Funds

Sources of Funds:

Company Investment	\$25,000
Mortgage Loan	\$45,000
Equipment Loan	\$30,000
Total Funds Needed	\$100,000

Uses of Funds:

Building Construction / Renovation	\$60,000
Equipment Purchases	\$30,000
Working Capital	\$10,000
Total Project Cost	\$100,000

The officers of SMITH COMPANY request a capital expansion loan for the sum of \$75,000. The funds will be used as outlined above (copies of vendor and contractor quotations are attached). This funding is requested in two parts:

Loan One - Building Expansion

\$45,000 for a term of 15 years at an interest rate of 11.00%. This loan will be amortized at a rate of \$511.47 per month and the primary sources of repayment will be the cash flow from this new plant as well as the cash flow from the ongoing operations of the business (see business plan, page 15). This loan will be secured by a mortgage on the real property of the company.

Loan Two - New Equipment

\$30,000 for a term of five years at an interest rate of 11.50%. This loan will be amortized at a rate of \$659.78 per month for 60 months and the primary source for repayment will be cash flow from operations. This loan will be secured by a lien on the equipment and the personal guarantee of the owners.

Appendix N (cont.)

Blank Development Cost Pro Forma Sources & Uses Worksheet

Hard Costs \$

Soft Costs \$

Demolition and Site Preparation

Engineering / Design

Rough Carpentry \$ _____

Architect \$ _____

Finished Carpentry _____

Structural engineer _____

Plaster _____

Mechanical engineer _____

Plumbing _____

Environmental testing _____

Electrical _____

Builder and/or dev. Fees _____

HVAC _____

Legal and Accounting _____

Insulation _____

Loan and Placement fee _____

Structural work _____

Construction loan interest _____

Specialties _____

Closing costs _____

Elevator _____

Building permit _____

Millwork _____

Use fees _____

Signing _____

Building inspection fee _____

Clean-up _____

Bid bond _____

Subtotal, Hard Costs _____

Temporary power & phone _____

Contingency _____

Builder risk insurance _____

Total Hard Costs _____

Advertising and Promotion _____

Bid costs _____

Taxes _____

Total Soft Costs _____

Total Hard & Soft Costs

\$ _____

Land Acquisition Costs

\$ _____

Total Hard, Soft & Land Acquisition Costs

\$ _____

Summary of Uses of Funds

Sources of funds

Land Acquisition _____

Debt 1 _____

Hard Costs _____

Debt 2 _____

Tenant Allowances _____

Grant _____

Soft Costs _____

Equity _____

Total Uses _____

Total Sources _____

APPENDIX O

HUD's Performance Measurement System

Effective October 1, 2006, grantees and their subrecipients will be required to utilize and implement a performance measurement system as the basis for assessment and management of their program. This means that applicants funded with HUD funds will be required to report on performance measurements dictated by the HUD funding programs on a regular basis. Applicants who receive federal funding will need to develop a timely and robust data collection system in order to meet the new HUD funding requirements. An example of how it may work is listed below.

The new performance measurement system maintains the flexibility of the block grants programs, as the objectives and outcomes are determined by the grantees based on the intent of the project and activity. While program flexibility is maintained, the new system offers a specific menu of objectives, outcomes and indicators so that reporting can be standardized and the achievements of these programs can be aggregated to the national level.

OBJECTIVES

Suitable Living Environment

In general, this objective relates to activities that are designed to benefit communities or groups of families by addressing issues in their living environment.

Decent Affordable Housing

The activities that typically would be found under this objective are designed to cover the wide range of housing that is possible under HOME, CDBG, HOPWA (Housing Opportunities for Persons With AIDS) or ESG. It focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a large effort (that would be captured above under Suitable Living Environment).

Creating Economic Opportunities

This objective applies to the types of activities related to economic development, commercial revitalization or job creation.

OUTCOMES

Availability/Accessibility

This outcome category applies to activities, which provide affordability in a variety of ways in the lives of low and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-up, or services such as transportation or day care.

Sustainability: Promoting Livable or Viable Communities

This outcome applies to projects where the activity or activities are aimed at improving a neighborhood by helping to make it livable or viable for principally low and moderate-income people through multiple activities, or by providing services that sustain communities or sections of communities.

OUTPUT INDICATORS

Types of reporting indicators that will be required from sub recipients funded with HUD funds are:

For each Activity, Grantees Would Report On:

- Amount of money leveraged (from other federal, state, local, and private sources) per
- Number of persons, households, units (pick which one is appropriate to project or activity, one only)
- Income levels of persons or households by 30%, 50%, 60%, or 80% of an area's median income, per applicable program requirements (area benefit activities will use presumptive income categories). However, this requirement is not applicable for economic development projects awarding funding on a "made available basis".
- Number of communities/neighborhoods assisted
- Current Racial/Ethnic and disability categories for household reporting still apply

Specific Indicators (for CDBG, HOME and ESG)

1) If Activity is _____ (list of infrastructure and service activities)

Number of households assisted:

- With new access to service or benefit (Grantees will pick from list of services or benefit similar to existing IDIS codes).
- With improved access to service or benefit (Grantees will pick from list similar to existing IDIS codes)
- Where activity was used to meet a quality standard or measurably improved quality, report number of households that no longer have access to substandard service only

2) Number of homeless persons stabilized due to access to overnight shelter or other emergency housing support.

3) Are activities part of a targeted revitalization effort (Y/N)?

If Yes (check one):

- a) Comprehensive—please choose at least three indicators
- b) Commercial—please choose indicators
- c) Housing—please choose indicators
- d) Other—please choose indicators

Indicators

- Number of new businesses assisted
- Number of businesses retained
- Number of jobs created or retained in target area
- Amount of money leveraged (from other public or private sources)
- # of LMI (Low Moderate Income) persons served
- Slum/blight demolition
- # of LMI households assisted
- # Acres/Sq ft of brownfields remediated
- Of households/persons with new or improved access to public facilities
- # of commercial façade treatment/business building rehab
- Other-can include crime numbers, property value change, housing code violations, business occupancy rates, employment rates (optional)

4) Is activity to address slum and blight spot basis (y/n)

5) Number of commercial façade treatment/business building rehab (site, not target area based)

6) Acres/Sq ft of brownfields redeveloped (site, not target area based)

7) Number of rental units constructed (new) per project or activity

Total units:

Of total,

- Number that are affordable
- Number made Section 504* accessible

Of affordable,

- Number subsidized by program (federal, state or local, with pick list to specify which federal program)
- Number of years of affordability guaranteed
- Number of housing units (supported through development and operations: or rental assistance) for HIV/AIDS
- Of these, number of units for the chronically homeless
- Number of units of permanent housing for homeless persons and families (supported through development and operations)
- Of these, number of units for the chronically homeless

8) Number of rental units rehabbed:

Total number of units:

Of total:

- Number made affordable
- Number made Section 504 accessible
- Number moved from substandard to standard (code)

- Number meeting International Building Code (IBC) Energy Standards
- Of those, number meeting Energy Star standards
- Number brought to lead safety

Of affordable:

- Number subsidized by federal, state or local program (with pick list to specify which federal)
- Number subsidized by program
- Number of years of affordability guaranteed
- Number of housing units (supported through development and operations) for persons with HIV/AIDS
- Of these, number of units for the chronically homeless
- Number of units of permanent for homeless persons and families (supported through development and operations)
- Of these, number of units for the chronically homeless

*"Section 504 of the Rehabilitation Act of 1973 prohibits discrimination against qualified individuals with disabilities in federally funded programs and activities. The Justice Department's Disability Rights Section is responsible for ensure compliance with the provisions of section 504."

9) Direct Financial Assistance to homebuyers:

- First-time homebuyers – Y/N
- Subsidized tenants – Y/N
- Minority household – Y/N
- Downpayment Assistance – Y/N
- Closing Costs – Y/N
- Mortgage buydown – Y/N
- Interest Reduction – Y/N
- Second Mortgage – Y/N
- Principal Reduction – Y/N

10) Number of owner occupied units rehabbed or improved:

- Number of units brought up to standard condition (as defined by grantee using applicable program regulations)
- Number brought to IBC Energy Standard
- Of those, number brought to Energy Star standards
- Number brought to lead safety
- Number subsidized by federal, state or local program (pick list to specific which federal program) (Note: Section 504 is not applicable)*

11) Number of jobs created:

- Employer sponsored health care benefits: Y/N
- Type of job created (use existing EDA classification)
- Prior employment status before taking job created:
- Number of Unemployed _____

12) Number of jobs retained, saved, or maintained:

- Employer sponsored health care benefits: Y/N
- Type of job created (use existing EDA classification)
- Prior employment status before taking job created:
- Number of Unemployed N/A for projects awarding funding on a “made available to basis

13) Number of businesses assisted (new, expansion, relocation, start-up):

- DUNs number
- Two digit NAIC industry classification (if needed)

14) Start-ups that remains operational 3 years after assistance (no reporting necessary, HUD to determine if available through DUNs)

15) Does assisted business provide a good or service to meet needs of service area/neighborhood/community (to be determined by community)? Y/N

16) Number of Homeownership Units Constructed, Acquired, and/or Acquired with Rehabilitation (per project or activity)

Total Number of Units

Of those:

- Number of affordable units
- Number of years affordability guaranteed
- Number meeting IBCE standards (plus Energy Star)
- Number made Section 504 accessible

Of affordable:

- Number subsidized by state/local programs
- Number subsidized by federal programs
- Number specifically for HIV/AIDS
- Number specifically for homeless
- Of those, number specifically for chronically homeless

17) Number of renter units assisted with on-going (monthly) subsidies (TBRA)

Total Number of units

Of those:

- Number subsidized by state/local programs
- Number subsidized by federal programs
- Number assisting HIV/AIDS
- Number assisting homeless
- Of those, number assisting chronically homeless

APPENDIX P

CITY OF BAKERSFIELD CERTIFICATION STATEMENT

City of Bakersfield
Fiscal Year 2022-23 Funding

Project Title: _____

Amount of Funds Requested: \$ _____

Amount of Total Project Budget: \$ _____

Applicant Information:

Legal Name of Applicant/Organization: _____

Type of Organization: Nonprofit ____ Government ____ Private ____

Mailing Address: _____

Previously funded Project

Has your organization carried out a previous community or housing development funded project with the City of Bakersfield or County of Kern, and if so, did you satisfactorily complete your project agreement, conditions and obligations? Yes__ No__ N/A__ If "Yes", please provide government contact legal name and phone number. _____

If "no", please explain on a separate sheet of paper.

Applicant Contact

Person: _____ Telephone: _____

Title: _____ Fax: _____

Email: _____

Certification:

"I certify that I have reviewed this application and that, to the best of my knowledge and belief, all of the information provided in this application is true."

Signature of Authorized Representative

Date

Print Name

Title

Applicant Federal I.D. Number: _____

APPENDIX Q

CITY OF BAKERSFIELD LIMITED ENGLISH PROFICIENCY QUESTIONNAIRE

Recipients of Community Development Block Grant (CDBG), Emergency Solutions Grant, (ESG), and HOME funds, including the City and its sub-recipients, are required to take reasonable steps to ensure meaningful access to federally funded programs and activities serving persons of Limited English Proficiency (LEP). As an applicant, please answer the following questions.

1. Estimate or quantify the number or percentage of LEP clients served or encountered through your organization's services.

2. Which programs are most used or inquired about by LEP persons? Are materials in these programs translated into their language?

3. What plans are in place to reach out to more LEP persons for your organization's services?

APPENDIX R
CDBG PUBLIC SERVICES QUESTIONNAIRE

Project Title: _____

Project Location: (Boundary Description) _____

1. Explain how the service area boundaries were determined:

2. Please check how your proposed project will benefit primarily low/moderate income persons in one of the following ways:

- ☐ **Low/Moderate Income Area** - The activity is located in a qualified low- and moderate-income Census block group (see map attached), and is a substantially developed primarily residential area
- ☐ **Direct Benefit to Low/Moderate Income Persons** - Requires information from persons receiving benefit so that the 51% low- and moderate-income threshold can be determined, or must be of such a location and nature that it may reasonably be concluded that the clientele are low- and moderate-income persons
- ☐ **Limited Clientele** - The activity provides benefits to a specific group of persons, comprised (or presumed to be comprised) of at least 51% low- and moderate-income persons. This includes: abused children, elderly persons, battered spouses, homeless persons, severely disabled persons (as defined by the U.S. Census), illiterate adults, persons living with AIDS, or migrant farm workers.

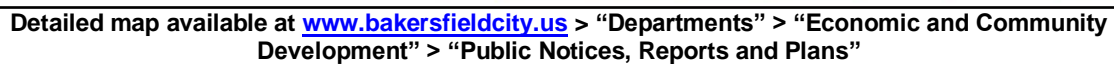
3. Is this a new project, or a quantifiable increase in service from the previous 12-month period?

☐ **Yes** ☐ **No**

Please Explain:

4. Please describe the data you will provide to ensure CDBG dollars are being used in a Low-Moderate Income area, or for Low-Moderate Income clientele:

MAP OF LOW- AND MODERATE-INCOME AREAS FY 2022-23



APPENDIX T

ACTIVITY BENEFICIARY REPORT

Facility Name: _____

Service Provider Agency: _____

Reporting Period: _____

Number of Persons Assisted Who Are:

	Total Number Assisted	1 Extremely Low Income (30% of Median)	2 Very Low Income (50% of Median)	3 Low Income (80% of Median)	Persons with Disability	Female Head of Household
Total Number of Individuals						

RACE				Hispanic/Latino Ethnicity	
	Total Number Assisted		Total Number Assisted		Total Number Assisted
White		American Indian or Alaskan Native AND White		Mexican / Chicano	
Black/African American		Asian AND White		Puerto Rican	
Asian		Black/African American AND White		Cuban	
American Indian or Alaskan Native		American Indian or Alaskan Native AND Black/African American		Other Hispanic / Latino	
Native Hawaiian or Pacific Islander		Other		Non-Hispanic / Latino	

Comments: _____

APPENDIX U

City of Bakersfield ESG Program Performance Standards

ESG Component	Outcome
Street Outreach	<ul style="list-style-type: none">• Number of persons placed in shelter, safe havens or permanent housing• Number of persons with more non-cash benefits• Number of persons participating in case management or Aftercare Services
Emergency Shelter	<ul style="list-style-type: none">• Number of persons exiting to temporary or transitional housing• Number of persons exiting to permanent housing• Number of persons participating in Case Management or Aftercare Services
Rapid Re-housing	<ul style="list-style-type: none">• Number of persons who maintained their permanent housing for 6 months or longer• Number of persons exiting to permanent housing• Number of persons with Higher income at program exit• Number of persons with more non-cash benefits• Number of persons participating in Case Management or Aftercare Services

*Subject to changes as necessary to support the collaboration between the Bakersfield Kern Regional Homeless Collaborative (CoC) and the City of Bakersfield ESG Program.