

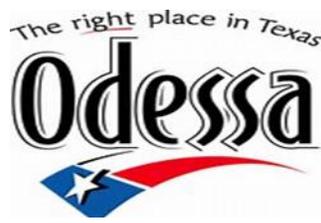


**APPLICATION GUIDE**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**(CDBG)**



*“This application guide is intended to provide potential applicants with information on eligible activities as well as the application process to develop a successful funding proposal. “*

*Merita Sandoval, Director*



Dear Potential CDBG Applicant:

The City of Odessa, through the Community Development Department, invites non-profit organizations to submit applications for projects to be funded through the Community Development Block Grant (CDBG).

Each year funds are awarded to the City of Odessa by the U.S. Department of Housing and Urban Development to meet National Objectives and must be used for an eligible activity established by Congress for the program.

This application guide is intended to provide potential applicants with information on eligible activities as well as the application process to develop a successful funding proposal.

Applications for grants are accepted by Community Development on an annual, cyclical basis beginning in April of each year. **The deadline date for submission of applications is the third Monday of May at 4:00 pm.** Projects submitted after the deadline will not be considered for review.

All applications are reviewed by the staff of Community Development to determine eligibility under HUD's criteria and conformance with the City's CDBG funding policies and priorities. Accepted applications are submitted for approval and funding allocation to the City Council in June or July. The City Council will make the final selection of those activities and projects to be funded with CDBG funds.

Thank you for your interest in the City's CDBG program. To the extent possible, Community Development staff will provide applicants with technical assistance, interpretation of regulations, and support as requested. Contact Thurman "Sonny" Bryant at [tjbryant@odessa-tx.gov](mailto:tjbryant@odessa-tx.gov) or at (432) 335-4820.

Sincerely,

*Merita Sandoval*

Merita Sandoval  
Director, Community Development Department

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# APPLICATION GUIDE

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

### Program Year 2021

#### INTRODUCTION

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The City of Odessa (City) receives a Community Development Block Grant (CDBG) annually from the U.S. Department of Housing and Urban Development (HUD) to fund activities that primarily benefit low- and moderate-income (LMI) residents of Odessa. Each year, the City, through the Community Development Department, uses a competitive application process to fund both public service and non-public service programs and activities.

In addition to public services funded with CDBG dollars, the City directly administers non-public service CDBG funds to carry out a wide range of community development activities. Both public service and non-public service programs must be an eligible activity under program guidelines and meet a national objective.

To help potential applicants determine whether their project might be eligible for a grant it is important to be familiar with the basic requirements of the CDBG program.

#### APPLICANT ELIGIBILITY

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Eligible applicants are:

- 501(c) (3) non-profit organizations providing services to residents within the City limits of Odessa.
- For previous subrecipients to be considered for CDBG funding, the organization must be current on all reporting and in good standing with the City and HUD.

Please note that the City receives their own CDBG funding directly from HUD. Therefore, projects in the City are eligible only to the extent that they serve residents living within the City limits.

## FUNDING ACTIVITIES

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All funded activities must be consistent with the needs and priorities identified in the City's 2020-2024 Consolidated Plan. You are highly encouraged to review the Consolidated Plan, available on the City's Community Development web page [The Executive Summary of the Con-Plan](#) is included as an attachment.

## APPLICATIONS & HOW TO APPLY

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Parties interested in applying who have not applied previously are encouraged to contact Thurman "Sonny" Bryant at the Community Development Department. Mr. Bryant is available to answer questions and provide guidance. His contact information is (432) 335-4820, or at [tjrbryant@odessa-tx.gov](mailto:tjrbryant@odessa-tx.gov).

Please visit the [Community Development web page](#) at to download a copy of the application.

**The deadline for submitting a full application is Monday, May 17, 2021 by 4:00 P.M.** Incomplete applications will be rejected.

Applicants are encouraged to read all instructions and supporting documents before completing this application. **Failure to submit all required information will result in your application being rejected.** Applicants should be prepared to make themselves available to Community Development Department staff the week following submission to answer questions that may arise.

Applicants submitting a request for more than one project must complete a separate application for each request.

All applications requesting funding for administrative costs must supply two budget sheets, one for program delivery costs, and one for administrative costs.

## ELIGIBLE ACTIVITIES

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[Attachment A](#) provides a list of eligible activities. Activities not on this list should generally be considered ineligible; please contact our office with questions.

## MEETING A NATIONAL OBJECTIVE

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Federal regulations require that all projects meet one of three national objectives:

1. Benefit low- and moderate-income (LMI) persons;
2. Aid in the elimination of slums and blight; or
3. Meet community needs having a particular urgency because existing conditions pose an immediate threat to public health or welfare.

At least 70% of Odessa's CDBG funds must be used to address the first national objective, benefit of LMI persons; therefore, most successful applications will meet this objective. The third objective, urgent need, is used rarely and may be used only in consultation with Community Development staff.

*Attachments B and C* provide information on [qualifying a project under a national objective](#) and [meeting income limits](#).

## PROGRAM REQUIREMENTS

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Applicants should consider this guide as a supplement of the Community Development Block Grant Program Entitlement Grant Regulations, [Title 24 of the Code of Federal Regulations, Part 570](#).

Projects must comply with all relevant federal regulations throughout the duration of the project. For example, construction projects must meet federal labor standards and other legislative and regulatory requirements for using federal funds.

Not all requirements are described in full here. For example, all grantees will be required to execute a contract with the City and complete and submit required quarterly and annual reports. Once a project is approved, Community Development will provide subrecipients with additional guidance to help meet project requirements.

## CONTRACT EFFECTIVE DATES

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The effective dates for all projects are October 1 – September 30

## PROJECT SELECTION CRITERIA

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In order to be considered for funding, a project must meet all program requirements described in this packet and at [24 CFR Part 570](#). In addition, the Community Development Department must determine that the applicant has the capacity to undertake and complete the project in an effective and timely manner.

## **FUNDING PRIORITIES**

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Applicants who receive funds in one year are not guaranteed future funding. Funding is dependent on many factors including performance

Funding priority will be given to activities that:

- provide services that respond to critical, identifiable and unmet needs;
- have a high benefit to low- and moderate-income persons;
- are clearly defined in the application as to scope, location, need, budget, goals, beneficiaries and means for evaluation of program progress, with evaluation criteria that are specific, measurable, and realistic;
- present a reasonable, sound budget and have a clear plan of action that is consistent with the funding and demonstrates the applicant has the capacity and the capability to implement the proposed plan successfully;
- maximize the use of outside funds (non-CDBG or other City funds); and
- supports the City's five-year Consolidated Plan goals and priorities.

# ATTACHMENT A: *ELIGIBLE ACTIVITIES*

## **CDBG Program Eligible Activities**

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The CDBG program offers the City a high level of flexibility in choosing program activities. The following is a representative overview of eligible CDBG activities. In addition, all projects must show consistency with the City's five-year Con-Plan. In general, projects **not** listed here should be considered ineligible. Please contact the Community Development Department with questions on the eligibility of a specific project.

### **Activities Related to Housing**<sup>1</sup>

There are many activities related to housing that are eligible under the CDBG program. A few examples include:

- Rehabilitation of homes which are owner-occupied housing for low- and moderate-income households. Rehab includes energy improvements, connection to water and sewer lines, and removal of material and architectural barriers that restrict accessibility, among other activities.
- Lead-based paint testing and abatement.
- Construction of housing (in some cases) and activities that support new rental or owner-occupied housing construction such as acquisition, clearance, site improvements, and street improvements.

### **Public Facilities Activities**

CDBG funds may be used for the acquisition, construction, reconstruction, rehabilitation, or installation of public improvements for public facilities.

Public facilities include, but are not limited to, the improvement of:

- Neighborhood/community facilities
- Parks and playgrounds
- Street and road Improvements

Projects must benefit the persons living in the area (For example: A park in a low-income census tract can be developed or improved if it is utilized primarily by the residents of that area, and not the community as a whole).

Improvements cannot be made to buildings used for "conduct of government." There are two exceptions:

- 1) ADA accessibility improvements can be made in these buildings
- 2) Municipal facilities can be improved for accessibility (i.e.: a community center located within a borough hall).

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<sup>1</sup> The City Community Development administers a city-wide housing rehabilitation program for owner-occupied units.

### **Other Real Property Activities**

Many other real property activities are eligible to be funded by CDBG, including:

- Acquisition for a public purpose
- Clearance and demolition<sup>2</sup>
- Rehabilitation of publicly or privately owned commercial or industrial buildings
- Historic preservation
- Renovation of closed buildings
- Interim assistance to arrest severe deterioration or alleviate emergency conditions
- Handicapped accessibility/removal of architectural barriers
- Energy efficiency projects

### **Public Services Activities**

Public services are also generally eligible under the CDBG Program. These public service activities may include, but are not limited to:

- Food programs
- School age children programs
- Crime prevention
- Human Service programs
- Housing & Foreclosure assistance
- Services for senior citizens
- Services for individuals with disabilities
- Services to Veterans
- Recreational services
- Job training programs

- Public service agencies may be funded that are not located within the City, but City CDBG program funds must be used only for the costs associated with serving residents within Odessa.
- CDBG cannot supplant existing funds or replace lost funding. Any public service funded must offer a new type of service to the city's residents or result in a quantifiable increase in existing services.
- The City is limited to allocating 15% of its total CDBG funds to public service projects.

### **Ineligible Activities**

CDBG funds may **not** be spent on general government expenses, machinery and equipment purchases, and operating and maintenance costs. This section describes activities that are not eligible under the CDBG Program. The general rule is that any activity not specifically authorized under the CDBG regulations and statute is ineligible to be assisted with CDBG funds.

In addition, the regulations stipulate that the following activities may **not** be assisted with CDBG funds:

- ✓ Buildings for the general conduct of government are ineligible. However, the removal of architectural barriers from government buildings is eligible under the category of public facilities and improvements.
- ✓ General government expenses are ineligible.
- ✓ Financing for political activities or to engage in other partisan political activities are ineligible.

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<sup>2</sup> The City Community Development administers a demolition program

- ✓ Purchase of equipment is generally ineligible.
- ✓ Compensation for the use of construction equipment through leasing, depreciation, or use allowances is eligible.
- ✓ Purchase of personal property, including equipment, fixtures, motor vehicles, furnishings, or other personal property is generally ineligible.
- ✓ Operating and maintenance expenses (of public facilities, improvements, and services) are ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program.

## **ATTACHMENT B: NATIONAL OBJECTIVES**

### **MEETING THE CDBG NATIONAL OBJECTIVES**

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Title I of the Housing and Community Development Act of 1974 requires any activity funded under the Community Development Block Grant program meet at least one of the three national objectives:

- 1) Provide benefit to low- and moderate-income (LMI) persons;
- 2) Aid in the prevention or elimination of slums and blight; or
- 3) Address an urgent community need.

**At least 70% of the City of Odessa's CDBG funds must be used to address the first national objective, benefit of LMI persons.**

The City is seeking applications to meet National Objective - Provide benefit to low- and moderate-income (LMI) persons

[Attachment C](#) provides current income limits at the time of publication. All applicants are responsible to ensure that they apply the currently applicable Limits at the time services are provided.

Activities considered to benefit low- and moderate-income persons are divided into four categories: area benefit, limited clientele, and housing.

A) **Area Benefit Activities**. An area benefit activity is an activity that meets the identified needs of LMI persons residing in an area. The benefits of this type of activity are available to all persons in the area regardless of income. Examples of potentially eligible activities include street improvements, water and sewer lines, neighborhood facilities, and park renovations.

- 1) Area benefits can be determined based upon census tracts and block groups, when the project serves all resident in a census track or block group and where at least 51% of the residents were shown to have low or moderate incomes at the time of the [most current Census information](#)
- 2) When the project area does not line up with an LMI census block group, applicants can conduct a neighborhood survey on family size and income. The project area qualifies if at least 51% of the residents are persons whose family income does not exceed the LMI limits. Contact Thurman Bryant at [tjrbryant@odessa-tx.gov](mailto:tjrbryant@odessa-tx.gov) or (432) 335-4820 for assistance.

B) **Limited Clientele Activities.** A limited clientele activity is an activity which benefits a specific group of people (rather than all the residents in a particular area), at least 51% of whom are LMI persons. To qualify under this category, the activity must meet one of two tests:

1) Benefit a clientele who are generally presumed to be principally LMI. The following groups are presumed by HUD to meet this criterion:

- ✓ Seniors;
- ✓ Severely disabled adults;
- ✓ Homeless;
- ✓ Victims of domestic violence;
- ✓ Abused/neglected children and youth;
- ✓ Illiterate adults;
- ✓ Migrant farm workers; or
- ✓ Persons living with HIV/AIDS.

2) Have income eligibility requirements that limit the activity exclusively to LMI persons. To meet this requirement, the applicant would need to verify the income of each program participant once the project is approved.

C) **Housing Activities.** A housing activity adds or improves permanent, residential structures that will be occupied by LMI persons upon completion. In order to meet the housing LMI national objective, structures with one unit must be occupied by a LMI household. If the structure contains two units, at least one unit must be LMI occupied. Structures with three or more units must be at least 51% occupied by LMI households.

## **ATTACHMENT C: INCOME LIMITS**

### **INCOME LIMITS BY HOUSEHOLD SIZE**

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The income limits that determine who is considered to have low- and moderate- incomes are shown below:

These limits are adjusted by HUD each year and your grant agreement (contract) will contain the current values to use for the applicable program year.

It is imperative applicants anticipate and plan for the methods they will use to determine and document the incomes of the persons they serve through their CDBG funded activities. Failure to do so will result in activities being ineligible for reimbursement.

<b>HOUSEHOLD SIZE</b>	<b>MODERATE LOW INCOME: 80% OF THE MEDIAN INCOME</b>	<b>VERY LOW INCOME: 50% OF THE MEDIAN INCOME</b>	<b>EXTREMELY LOW INCOME: 30% OF THE MEDIAN INCOME</b>
1 PERSON	\$ 39,400	\$ 24,600	\$ 14,800
2 PEOPLE	\$ 45,000	\$ 28,150	\$ 16,900
3 PEOPLE	\$ 50,650	\$ 31,650	\$ 19,000
4 PEOPLE	\$ 56,250	\$ 35,150	\$ 21,100
5 PEOPLE	\$ 60,750	\$ 38,000	\$ 22,800
6 PEOPLE	\$ 65,250	\$ 40,800	\$ 24,500
7 PEOPLE	\$ 69,750	\$ 43,600	\$ 26,200
8 + PEOPLE	\$ 74,250	\$ 46,400	\$ 27,900

**MEDIAN FAMILY INCOME:**

**\$65,500**

## **ATTACHMENT D: LMI BY BLOCK GROUP**

### **>50% LOW-MODERATE INCOME BY ODESSA CENSUS BLOCK GROUPS**

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<b>Census Tract No.</b>	<b>Block Group</b>	<b>% Low/Mod Income</b>
481350002	3	54%
481350007	1	52%
481350007	2	55%
481350015	1	52%
481350016	3	74%
481350016	6	50%
481350017	3	76%
481350017	7	65%
481350018	2	60%
481350018	1	53%
481350019	5	54%
481350019	4	66%
481350019	3	51%
481350031	2	59%
481350031	1	56%

2020 Census data will change the percentages

# **ATTACHMENT E: CON PLAN EXECUTIVE SUMMARY**

## **2020-2024 CONSOLIDATED PLAN EXECUTIVE SUMMARY**

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The vision of City's five-year Consolidated Plan seeks to develop a viable community by promoting integrated approaches that provide decent housing, a suitable living environment, and expanding economic opportunities for low – and moderate-income persons. The primary means towards this end is the development of partnerships among all levels of government and the private sector.

The City prepared the 2020-2024 Consolidated Plan and the 2020 Action Plan for the U. S. Department of Housing and Urban Development. The Consolidated Plan identifies the needs in the community, establishes five-year goals and strategies and identifies the resources available in the community to address these needs.

Major categories of priority needs addressed in the Consolidated Plan are:

- Housing
- Public Facilities and Improvements
- Public Service
- Community Development/Infrastructure

### **Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview**

High, medium, and low priorities for the 2020-2024 Consolidated Plan were established from the analysis of available data and information received during the citizen participation process. The strategic plan is divided into five (5) categories with each category containing the level of priority for several different activities. These five (5) categories include housing, public facilities improvements, public services, community & infrastructure development, and economic development. The priorities were established as a direct result of public hearings, community meetings, citizen comments and surveys. The priorities established in the Consolidated Plan will serve as a guide for the allocation of CDBG funds for the next five (5) years with a focus on activities with a high priority designation.

Based on the priorities established in the Consolidated Plan, the City is required to establish goals and strategies for meeting the needs identified by the community. Goals and strategies have been developed for meeting the needs within each of the five (5) categories. The following is a summary that includes the most important goals and strategies identified in the Consolidated Plan.

CDBG funds will be directed to fund as many of the high priority activities as possible to meet the established goals.

### **HOUSING**

The City's goal for the following housing activities is to provide decent housing for its citizens.

**Goal #1** - Preserve Existing Housing Stock through the Housing Rehabilitation, Reconstruction, Minor Repair and Emergency Assistance Programs. The outcome of this activity is the sustainability of existing homeownership.

**Goal #2** - Expand Homeownership Opportunities for Low- Moderate-Income Families. The outcome of this activity is the affordability of decent housing.

**Goal #3** - Expand the number of newly constructed affordable homes. The outcome of this activity is the availability of affordable housing.

### **PUBLIC FACILITIES AND IMPROVEMENTS**

The objective of providing improvements to the public facilities within the community will achieve the goal of providing suitable living environments.

Goal – Provide CDBG funds to any two of the high priority public facility and improvement needs during the next five years.

### **PUBLIC SERVICES**

The objective of providing funding to public service agencies within the community will achieve the goal of providing suitable living environments.

Goal – Provide CDBG funds to any two of the high priority public service needs during the next five years.

### **COMMUNITY AND INFRASTRUCTURE DEVELOPMENT**

The objective of providing funding to these activities will help achieve the goal of providing suitable living environments.

Goal - Provide CDBG funds to the Demolition Program for the removal of slum and blight. The outcome of this activity is to promote the sustainability of the area.

### **Summary of citizen participation process and consultation process**

The planning process for the Consolidated Plan included consultation with citizens, City

departments, social service agencies, housing providers, health & human service providers, governmental agencies, broad band internet providers and many other area non-profit agencies to obtain information regarding the priority needs of the community. The City consulted with the Local Housing Authority to collaborate on the current housing needs of the community. Needs Assessments were also provided to other partner agencies to obtain information on the type and number of services required to address the needs of the low to moderate income citizens of Odessa.

The City began to notify the citizens of the community meetings and public hearings in April 2020. The public hearings and community meeting dates were posted on the Government Access Channel, notices were sent out to organizations/agencies and surveys were distributed and available on the internet. Newspaper ads were placed in English and Spanish in the Odessa American. In addition, a television interview was conducted on local news stations.

As part of the Consolidated Plan development process, surveys were distributed to the public in both English and Spanish formats. The survey was also available to citizens on the City's web page.

# **ATTACHMENT F: CONTRACT REQUIREMENTS**

## **SUBRECIPIENT CONTRACTS**

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Each grantee selected to receive funds is required to sign a grant agreement (Contract) with the City. No costs incurred prior to the execution of an agreement with the City **and** a notice funds are available and reimbursable. Under City policies and Federal laws and regulations, certain requirements must be met to negotiate an agreement and disburse funds. These requirements include the following:

- 1) After an application is approved for funding, a grant agreement will be prepared by the City. The contract will specify the amount of the award, the period for which the project is approved, the contract term, and administrative provisions. Special conditions attached to the award also will be specified in the agreement. Subrecipients will be required to file recurring reports on expenditures, progress toward goals, and beneficiaries.
- 2) Each agency receiving funding will conduct and administer the grant in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq., as amended), the Fair Housing Act (42 USC 3601-20), Age Discrimination Act of 1975 (42 USC 6107-07) and Section 504 of the Rehabilitation Act of 1973 (29 USC 794) and will affirmatively further fair housing.
- 3) Each agency receiving funding is required to provide meaningful access to Limited English Proficient (LEP) persons and thus comply with Title VI regulations forbidding funding recipients from restricting an individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service, financial aid, or other benefit under the program or from utilizing criteria or methods of administration which have the effect of subjecting individuals to discrimination because of their race, color, or national origin, or have the effect of defeating or substantially impairing accomplishment of the objectives of the program or activity as respect to persons of a particular race, color, or national origin (24 CFR 1.4).
- 4) The Subrecipient hereby assures and certifies that it will comply with the regulations, policies, guidelines, and requirements with respect to the acceptance and use of Federal funds for this federally assisted program. Also, the Subrecipient gives assurances and certifies with respect to the grant that:
  - a. The grant will be conducted and administered in compliance with:
    - i. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

- ii. Public Law 88-352 and Public Law 90-284; affirmatively furthering fair housing; Executive Order 11063, as amended by Executive Order 11259, and implementing regulations contained in 24 CFR Part 107
  - iii. Section 109 of the Housing and Community Development Act of 1974, as amended; and the regulations issued pursuant thereto
  - iv. Labor standards requirements as set forth in 24 CFR 570.603, 24 CFR 92.354 and HUD regulations issued to implement such requirements
  - v. Employment and contracting opportunities as set forth in Executive order 11246, as amended by Executive Order 12086, and implementing regulations issued in 41 CFR, Chapter 60
  - vi. Lead-based paint requirements as set forth in 24 CFR 570.608, 24 CFR 92.355 and HUD regulations issued to implement such requirements
  - vii. Use of debarred, suspended, or ineligible contractors or subrecipients as set forth in 24 CFR 570.609, 24 CFR 92, 2 CFR 2424 and HUD regulations issued to implement such requirements
  - viii. Conflict of interest requirements as set forth in 24 CFR 570.611, 24 CFR 92.356 and HUD regulations issued to implement such requirements
- b. It will give the City, HUD and the Comptroller General, or any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.
  - c. In the event of non-compliance, the agreement may be terminated or suspended in whole or in part.



**COMMUNITY DEVELOPMENT DEPARTMENT**

**Merita Sandoval, Director**

**Application  
For  
Community Development Block Grant Funds  
(CDBG)**

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**PY 2021**

**Applicant Name:** \_\_\_\_\_

**Amount Requested: \$** \_\_\_\_\_