



**City of McAllen
Community Development Block Grant
Project Application
FY 2009 – 2010**

The U.S. Department of Housing and Urban Development provides the City of McAllen Community Development Block Grant (CDBG) funds for the benefit of the City's low- and moderate- income residents. The City will receive approximately \$1,766,000 in CDBG funds for the 2009 – 2010 fiscal year. Approximately \$264,000 will be awarded for Public Service Projects and \$1,192,000 will be awarded for Construction Projects.

*** All applicants (except City Departments) are required to attend ONE of the technical assistance seminars to be held on **Tuesday, January 13, 2009 at 9:00 A.M. or Wednesday, January 21, 2009 at 2:00 P.M.** in the Board Room, 2nd Floor, Chase Bank, 200 S. 10th St., McAllen. A minimum of two representatives per agency must attend.

This application is intended as a general application. Applicants are encouraged to submit additional relevant information to support project funding. However, this funding request may not exceed 10 pages in length. Complete financial reviews/audit (and responses), list of current board members, organizational chart and two mandatory letters of support will not be counted towards the 10-page maximum.

Only original applications that include responses to all questions and are received at the City of McAllen – Community Development Office, Chase Bank, 200 S. 10th Street, Ste. 1300, McAllen (972-7241), by the posted **DEADLINE OF FRIDAY, JANUARY 30, 2009 AT 4:00 P.M.** will be considered. Faxes or copies will not be considered. Only one original submission is required.

Additionally, the agency preparing this application must have a non-profit tax status. Public schools, City departments and other governmental agencies are exempt from this requirement.

All applicants must attend one of the FY 2009 – 2010 public hearings. The order of presenters during the public hearings will be based on the order in which applications are received.

NEW: Executive Directors and at least one Board Member must appear at the public hearing held before the Advisory Board and remain available to answer any questions.

If funded, project administrators will be **REQUIRED** to obtain the income of clients who are served with CDBG funds. Acceptable documentation may consist of copies of the client's most recent income tax return, 3 months of check stubs and/or proof that the client is receiving public assistance such as Temporary Assistance to Needy Families, Medicaid, Medicare or Food Stamps.

A partial list of eligible activities is as follows:

Public Facilities Needs

- Senior Centers
- Youth Centers
- Neighborhood Facilities
- Parks and Recreation Facilities
- Health Facilities
- Child Care Centers
- Parking Facilities

Infrastructure Improvement Needs

- Flood Drain Improvements
- Water Improvements
- Sewer Improvements
- Street Improvements

Public Service Needs

- Senior Services
- Handicapped Services
- Youth Services
- Child Care Services

Emergency Shelter Needs

Housing Needs

Of note, generating reports and other administrative activities such as filing, answering phone calls or faxing are not eligible for reimbursement. Attending training, fundraising, paying bad debt, overtime and fringe benefits are not eligible.

In addition to the application, all submissions must include:

- Audit/Financial Management Letter (If agency has adverse findings, statement of corrective action)
- List of Current Board Members (indicate Executive Committee Members)
- List of Program Staff (include Executive Director, Finance Manager, Key Program Staff)
- Organizational Chart
- For public service projects, 2 letters of support
- For construction projects, 2 letters of financial commitment
- If requesting salaries, copies of job descriptions
- Original Signature

Rules and Requirements

Successful applicants will be required to sign a written agreement with the City which will include all requirements to be placed on the applicant. Requirements include, but are not limited to, the following:

- Written records to justify all expenditures must be maintained for a period not less than four years after the full amount of the grant awarded is expended. Records will be subject to review by the City and HUD representatives.
- Agencies must agree to administer the CDBG activity in accordance with OMB Circular A-122, "Cost Principle for Non-Profit Organizations", and OMB Circular A-110. In addition, if the agency expends more than \$500,000 in federal funds, the agency is required to comply with the Single Audit Act of 1984.
- Agencies will be required to submit monthly status reports which should include information on levels of program service/expenditures, number of persons served, including racial and ethnic characteristics; and/or plans of action relative to expenditures and milestones.
- Agencies may be required to submit additional reports as may be required by HUD and/or the City.
- **Agencies will be required to obtain written proof of income for each household assisted with CDBG funds.**
- If any income is derived from the activities funded by CDBG, such income must be reported to the City and City may ask that it be returned.
- In the event that HUD should determine that CDBG funds were improperly spent, any funds reimbursed to the U.S. Treasury may be recaptured from the offending agency.
- **No funds may be expended or committed prior to October 1, 2009. Reimbursement may not be requested for public service activities occurring subsequent to September 30, 2010.**
- The City will monitor projects annually for compliance with record keeping requirements and applicable federal and local requirements.
- Successful agencies will be required to sign Conflict of Interest forms.