



**Agenda Item B.4**  
**CONSENT CALENDAR**  
**Meeting Date: December 4, 2018**

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**TO:** Mayor and Councilmembers

**FROM:** Vyto Adomaitis, Neighborhood Services and Public Safety Director

**CONTACT:** Dana Grossi, Management Analyst

**SUBJECT:** Initiation of 2019-2020 Community Development Block Grant (CDBG) and Goleta City Grant Programs

**RECOMMENDATION:**

- A. Initiate the 2019-2020 application cycle for both the Community Development Block Grant (CDBG) and Goleta City Grant Programs; and
- B. Approve updates to the CDBG and City Grant Program Guidelines

**BACKGROUND:**

Each year, consistent with program regulations, the City Council allocates 15 percent of its Community Development Block Grant (CDBG) Program funding on a competitive basis to nonprofit organizations that provide services to low-income residents and the homeless in Goleta. The CDBG Program is administered by the U.S. Department of Housing and Urban Development (HUD). This current 2018-19 program year, the City of Goleta allocated \$32,453.85 (15%) of its total CDBG grant award to subrecipient nonprofit organizations.

In addition to CDBG funds, the City Council allocates General Fund monies to the Goleta City Grant Program. The City Grant Program awards funding on a competitive basis to nonprofits that provide public services, projects, special events, educational programs, and cultural activities of benefit to the residents of the City of Goleta. This program year, the City allocated \$67,546.15 in City Grant Program awards to various nonprofit organizations.

Starting in Fiscal Year (FY) 2014-15, the City Council approved combining the CDBG Program and Goleta City Grant Program application cycles and increased the amount of combined total grant funding for both programs to \$100,000. This combined grant process utilizes a single application for both programs and has been successfully implemented over the previous four years. Due to the prescribed timelines pertaining to the Federal CDBG Program, staff is requesting Council initiation of the combined grant application cycle now for the coming FY 2019-20.

**DISCUSSION:**Initiation of FY 2019-20 Grant Cycle

Staff proposes that the CDBG and Goleta City Grant Program application cycle be initiated effective December 17, 2018, with an application deadline of January 28, 2019. The City will advertise this funding opportunity through release of a Notice of Funding Availability (NOFA) for both programs. The NOFA will be placed in the Santa Barbara Independent, promoted on the City's website, and made available at City Hall upon request. In addition, prior grant applicants and recipients as well as newly interested organizations that have reached out to staff will be emailed the NOFA. Following the application cycle, all grant applications will be reviewed by the standing Grant Funding Review Committee (Committee). Funding award recommendations will be deliberated and made by the Committee in February of 2019, subject to approval by the full City Council in March of 2019 (specific dates listed in the below table). The Committee is comprised of four members total including the Mayor, Mayor Pro Tempore, and two Goleta residents that are appointed each calendar year by the Mayor.

In past years, the grant application submission and review process has been paper-based. To allow for greater ease and efficiency in the various stages of the process for all stakeholders involved - including the nonprofit applicants, City staff, and Committee members - the City will for the first time be implementing a program called ZoomGrants. ZoomGrants is an online grants management program intended to simplify and expedite the entire grant cycle process including ongoing management of the funded programs and activities. To educate applicants on the new online application process through ZoomGrants, staff will be holding a technical assistance training to occur on December 12, 2018. In addition to the training, staff will be available to assist applicants throughout the duration of the NOFA period. Paper applications will no longer be accepted. Below is a timeline summarizing the upcoming 2019-2020 grant year cycle.

<b>Activity/ Action Item</b>	<b>Timeline/ Dates</b>
Technical Assistance Training for ZoomGrants	December 12, 2018
Notice of Funding Availability (NOFA) Release for 2019-2020 CDBG and Goleta City Grant Programs	December 17, 2018
Application Submission Deadline	January 28, 2019
Grant Funding Review Committee meetings to review applications and recommend funding awards (it is anticipated that the Committee will meet twice)	February of 2019 (specific dates to be determined)
City Council consideration of Grant Funding Review Committee funding recommendations and approval of awards for the 2019-2020 program year	March 5, 2019 (tentative)
Public Hearing on Needs, Goals, and Funding Priorities for the 2019-2020 CDBG Action Plan	March 19, 2019 (tentative)
30-day public review period of draft 2019-2020 CDBG Action Plan	March 21 - April 19, 2019
City Council approval of 2019-2020 CDBG Action Plan	May 7, 2019
2019-2020 CDBG Action Plan due to HUD	May 15, 2019

## Updates to Program Guidelines

### *CDBG Program Guidelines*

In the past, the City did not have CDBG Program Guidelines. In an effort to provide increased information about the CDBG program to organizations that may not have familiarity with this grant, staff have developed draft program guidelines for CDBG (refer to Attachment 1). Although the guidelines are general at this stage, staff anticipate further developing the guidelines based on input from next year's Committee and the City Council. This year's implementation of the new ZoomGrants process may further help to define and develop the guidelines for both grant programs.

### *Goleta City Grant Program Guidelines*

Based on input from this year's Committee and the City Council, staff have proposed updates to the Goleta City Grant Program Guidelines (refer to Attachment 2). These updates include the addition of language restricting and limiting funded organizations from engaging in certain political activities, in addition to language specifying that applicants must have nonprofit status to be considered for a funding award.

## **FISCAL IMPACTS:**

Staff executed an agreement with ZoomGrants for a total of \$7,000, paid out of the Support Services budget (101-5-1600-500). ZoomGrants will be utilized for the existing 2018-19 fiscal year as a pilot program. If successful, staff will pursue a multi-year agreement with ZoomGrants and budget accordingly for it in future years. The existing agreement is set to expire on June 30, 2019.

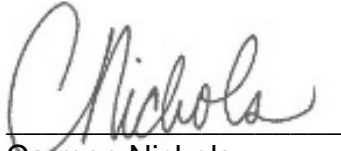
For the current 2018-19 fiscal year, the City Grant Program and CDBG Program grant recipients were budgeted and funded at a total of \$100,000. This amount is inclusive of both programs combined. City Grant Program awards are paid for out of the General Fund (101-5-1100-220), whereas grant awards for the CDBG Program are paid out of CDBG (402-5-6300-221). Staff anticipate that both grant programs will continue to be budgeted at the combined \$100,000 per year for next two-year budget cycle, FY 2019-20 and FY 2020/21.

## **ALTERNATIVES:**

The City Council may choose to change the dates of the NOFA application period, including the duration and deadline. However, staff recommend proceeding with the grant cycle schedule proposed in this report, which will ensure that the funding recommendations for CDBG in particular get adopted in time for inclusion in the 2019-2020 Action Plan due to HUD by May 15, 2019.

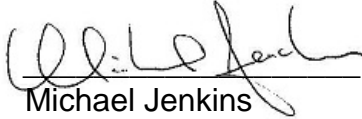
City Council may choose to make additional revisions to the proposed CDBG and Goleta City Grant Program Guidelines or reject any or all of staff's proposed revisions. Staff would incorporate any changes made by City Council into the final program guidelines, as appropriate.

**Reviewed By:**



Carmen Nichols  
Deputy City Manager

**Legal Review By:**



Michael Jenkins  
City Attorney

**Approved By:**



Michelle Greene  
City Manager

**ATTACHMENTS:**

1. Proposed CDBG Program Guidelines
2. Proposed Revisions to Goleta City Grant Program Guidelines

## **ATTACHMENT 1**

### **Proposed CDBG Program Guidelines**





## Community Development Block Grant (CDBG) Program

### PURPOSE

The City of Goleta receives annual Federal grant funding from the U.S. Department of Housing and Urban Development (HUD) for its Community Development Block Grant (CDBG) Program. CDBG funds are administered by HUD and the City manages the use of these funds by carrying out programs and activities that meet the overall goals of the grant, as defined by HUD. To carry out the goals of the CDBG Program, the City relies on nonprofit organizations and in doing so, offers grants on a competitive basis each year to organizations that provide needed services in support of low and moderate-income persons in Goleta.

Subject to funding availability, the City may award CDBG grants to organizations at a minimum of \$5,000 per grant.

### ELIGIBLE SERVICES AND ACTIVITIES

1. All services and activities must benefit Goleta residents.
2. Services and activities must meet one of the three national objectives of the CDBG program:
  - 1) benefit low and moderate-income persons;
  - 2) eliminate slum and urban blight; and
  - 3) meet community needs in the event of an emergency.

*\*The City focuses its CDBG program on awarding funds to organizations that help meet the first national objective listed above, and will prioritize applications accordingly.*

### APPLICATION REQUIREMENTS

Applications for a grant must be made electronically through the ZoomGrants program and include the following basic elements:

- Name and general purpose of the nonprofit or governmental agency sponsoring the proposed service or activity
- Contact name and information for the grant application
- Description of the project
- Number of Goleta residents who would be served by the proposed service or activity
- Proof of non-profit status.
- Two references who may be contacted regarding the proposed service or activity

Paper application submissions will not be accepted.

## PROCESS AND GUIDELINES

- Grant applications may be submitted only during the open application period designated annually through release of a Notice of Funding Availability (NOFA). The NOFA application period will be open for a minimum of four weeks. No late applications will be accepted.
- Grant applications will be reviewed by the City Council's Grant Funding Review Committee comprised of the Mayor and Mayor Pro Tempore and two City of Goleta residents serving as advisory members. Recommendations of the Committee will be forwarded to the City Council for final approval of funding awards.
- The City Council will take final action on award of all grants.

## RESTRICTIONS AND LIMITATIONS

Grant funds shall not be used for political campaigning purposes or activities. Grant recipients (and affiliates) shall not endorse, fundraise, campaign or otherwise support or oppose a candidate for a City of Goleta elected office. Furthermore, grant funds shall not be used for religious activities.

## COMPLIANCE

All grant recipients are required to sign a grant agreement. Per the agreement terms, grant recipients are expected to provide an end-of-year report demonstrating how the funds benefited the Goleta community. The recipient may be requested to make a presentation before a Committee or at a City Council meeting or workshop. If funds are not expended in accordance with the approved purposes, the organization will be required to refund the amount of funds. Failure to provide proper documentation may jeopardize any future funding. City of Goleta reserves the right to conduct an audit and/or require additional back-up information to substantiate how funds received from the City were expended.

Applications may be located at [www.cityofgoleta.org](http://www.cityofgoleta.org). Questions regarding the Goleta CDBG Program may be directed to Vyto Adomaitis, Neighborhood Services and Public Safety Department Director, at [vadomaitis@cityofgoleta.org](mailto:vadomaitis@cityofgoleta.org) or (805) 961-7555.



## **ATTACHMENT 2**

### **Proposed Revisions to Goleta City Grant Program Guidelines**





## Goleta City Grant Program

### PURPOSE

Subject to funding availability, the City of Goleta may award grants up to \$5,000 to civic services, community projects, and public services that are of benefit to the residents of the City of Goleta.

### ELIGIBLE SERVICES AND ACTIVITIES

1. All services and activities must benefit Goleta residents.
2. Services and activities must be sponsored by non-profit organizations or governmental agencies.
3. Categories of services and activities eligible for grants include:
  - a. Civic projects or services sponsored by Goleta community organizations
  - b. Cultural activities (e.g. music, art, dance, recreation, etc.)
  - c. Educational programs
  - d. Special events
  - e. Regional projects of benefit to Goleta residents
  - f. Public services (e.g. senior services, youth programs, health services, etc.)

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