

**CITY OF GULFPORT**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**  
**AND HOME PROGRAM FUNDING**  
**FISCAL YEAR JANUARY – DECEMBER 2018**

**APPLICATION INTRODUCTION AND PROCEDURES**

The City of Gulfport invites interested and eligible parties to submit proposals for the 2018 Community Development Block Grant (CDBG) and HOME Investment Partnership Act Program (HOME) funded by the U. S. Department of Housing and Urban Development (HUD).

Application Packages are available on the City of Gulfport Website at [www.gulfport-ms.gov](http://www.gulfport-ms.gov) or you may request to have an electronic copy of this application packet sent to you by e-mail at [communitydevelopment-ms.gov](mailto:communitydevelopment-ms.gov) or [kwells@gulfport-ms.gov](mailto:kwells@gulfport-ms.gov) or [kmccarty@gulfport-ms.gov](mailto:kmccarty@gulfport-ms.gov).

The following sections include information for potential applicants on the federal and local guidelines for the CDBG/HOME Programs and well as the City's application. CDBG and HOME funded projects must comply with strict eligibility criteria. Prior to submission, please carefully review this information package to determine if your request for funds will qualify under the federal CDBG and/or HOME regulations. The City of Gulfport Community Development staff is available to provide technical assistance and to answer questions regarding CDBG and HOME regulations, applicant and project eligibility; however, it is the responsibility of the applicant to become educated on the federal regulations that govern the CDBG and HOME programs. For more detailed information on the HUD guidelines, go to [www.hud.gov](http://www.hud.gov).

Applications for CDBG and HOME funding must be completed in full and submitted to the City of Gulfport Community Development Department **no later than 5:00 p.m., May 7, 2018.** When complete, submit one original and two copies of your application to the following location:

**City of Gulfport**  
**Community Development Department**  
**1410 24<sup>th</sup> Avenue**  
**Gulfport, MS 39501**  
**(228) 868-5705, ext. 6551**

**APPLICATIONS SENT BY FAX OR E-MAIL WILL NOT BE ACCEPTED.**  
**LATE OR INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED.**

## **II. WHAT IS THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM?**

The U. S. Department of Housing and Urban Development (HUD) administers the Community Development Block Grant (CDBG) Program. The primary purpose of the CDBG Program is to assist low and moderate-income persons. The primary objective of the HUD CDBG Program is the development of viable communities by providing decent housing, a suitable living environment, and the expanded economic opportunities primarily for low-and moderate income residents. The national objectives of the CDBG program were established to assist local communities with activities focused on:

- Preserving and improving the supply of affordable housing through improvement of low-and moderate income housing;
- Eliminating slums and blight, preventing deterioration of property, providing needed neighborhood community facilities, provision of supportive services;
- Acquisition, design, construction, and installation of needed public facilities, improvements, and accessibility measures;
- Creation and retention of jobs for low- and moderate-income persons through the expansion of business opportunities and the provision of financial incentives to businesses.

## **III. HOW CAN CDBG FUNDS BE USED?**

Federal regulations require that CDBG funds be used for eligible activities that meet one of three national objectives:

- Benefit to low- and moderate-income persons;
- Aid in the prevention or elimination of slums and blight; and
- Meet a need having a particular urgency (example: hurricane)

The City of Gulfport typically uses its annual CDBG allocation to fund projects and activities undertaken by city departments and community-based non-profit agencies to address the housing and community development needs of low- and moderate income persons. CDBG funding can be for a variety of activities to meet HUD statutory goals including but not limited to:

### **DECENT HOUSING – This includes:**

- Assisting homeless person obtain affordable housing;
- Assisting persons at risk of becoming homeless;
- Retention of affordable housing stock;
- Increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability;

- Increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and
- Providing affordable housing that is accessible to job opportunities.

**A SUITABLE LIVING ENVIRONMENT** – This includes:

- Improving the safety and livability of neighborhoods;
- Increasing access to quality public and private facilities and services;
- Reducing the isolation of income groups within areas through spatial de-concentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods;
- Restoring and preserving properties of special historic, architectural, or aesthetic value; and
- Conservation of energy resources.

**EXPANDED ECONOMIC OPPORTUNITES** – This includes;

- Job creation and retention;
- Establishment, stabilization and expansion of small businesses ( including micro businesses);
- The provision of public services concerned with employment;
- The provision of jobs to low-income persons living in areas affected by those programs and activities or jobs resulting from carrying out activities under programs covered by the plan;
- Availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices;
- Access to capital and credit for development activities that promote the long-term economic and social viability of the community; and
- Empowerment and self-sufficiency for low-income persons to reduce generation poverty in federally assisted housing and public housing.

Under HUD CDBG regulations, at least 51% of those benefiting from CDBG funded activities must be low and moderate-income persons. Agencies and organizations receiving CDBG funding must be able to document that the individuals or households it serves fall with the HUD income limits. The current HUD income guidelines for 2018 program year are as follows: (Income limits are updated annually by HUD)

<b>HUD LOW AND MODERATE INCOME GUIDELINES EFFECTIVE MARCH 2017</b>								
<b>Family Size</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>Maximum income (80% of median)</b>	<b>\$29,150</b>	<b>\$33,300</b>	<b>\$37,450</b>	<b>\$41,600</b>	<b>\$44,950</b>	<b>\$48,300</b>	<b>\$51,600</b>	<b>\$54,950</b>

As of this date, actual funding allocations have not been determined, however, the City of Gulfport anticipates a funding increase of its 2018 allocation over the current 2017 entitlement funding of \$608,953 in CDBG and \$326,615 in HOME Funding based on the 2018 Federal Omnibus Tax Plan, however this increase of funding and the timing of funding is unknown at this time. All applicants and proposed activities must meet HUD CDBG and HOME eligibility guidelines. CDBG funds will be allocated as follows: A minimum of 65% to eligible projects, up to 15% to public services and 20% for administration. Gulfport HOME funds are allocated as follows: 90% eligible projects and 10% administration.

**FINAL ALLOCATION OF CDBG FUNDS IS CONTINGENT UPON CITY COUNCIL ACTION, HUD AWARD OF FUNDS AND FULL EXECUTION OF SUB-RECIPIENT CONTRACT AGREEMENT.** Completion and submission of this application does not obligate the City of Gulfport to allocate CDBG or HOME funds to your program or activity.

**Please be advised. If your organization is awarded funding for program year 2018, grant funds for reimbursement will not be available until the City receives a release of funds from HUD, which could be as late as December 2018. The City is not liable for any costs incurred by your organization prior to the issuance of grant funds from HUD, and prior to the contract approved by Gulfport City Council between your organization and the City of Gulfport.**

#### **IV. ELIGIBLE AND INELIGIBLE CDBG ACTIVITIES**

The following activities are examples of eligible CDBG activities. Please note this list is not inclusive of all types of activities that may be eligible under the CDBG Program:

- Acquisition, construction or rehabilitation of neighborhood facilities and facilities for persons with special needs (e.g. homeless shelters, group homes or halfway houses);
- Construction or rehabilitation of housing units for low- and moderate-income persons;
- Economic development activities that create full-time jobs for low- and moderate-income persons;
- Health care and substance abuse services;
- Child care and after-school programs;
- Transitional housing and supportive services for the homeless;
- Fair Housing counseling;
- Crime prevention activities;
- Parks, playgrounds, and recreational facilities;
- Senior and disabled centers, except 24-hour care facilities;
- Removal of architectural barriers, which restrict mobility of persons with disabilities;
- Installation, construction and rehabilitation of infrastructure (e.g., water/sewer lines, streets and sidewalks).

The following activities are examples of ineligible CDBG Activities. Please note this list is not inclusive of all types of services that may be ineligible under the CDBG Program:

- Political activities;
- Religious activities;
- Purchase of construction equipment;
- Purchase of equipment\*, fixtures\*, motor vehicles\*, furnishings\*, or other personal property that is not an integral structural fixture.  
(*\* with exceptions.*)

**ELIGIBLE HOME ACTIVITIES** (All persons/households assisted must meet the low/moderate-income criteria - 80% or below the median income level).

- Acquisition of property;
- Construction of new housing for rent or ownership;
- Moderate or substantial rehabilitation of rental or owner-occupied units;
- Site improvements for HOME-assisted projects;
- Demolition of dilapidated housing to make way for a HOME-assisted development;
- Payment of relocation expenses;
- Other reasonable and necessary expenses related to the development of non-luxury housing;
- Direct Loans;
- Homebuyer Activities
  - Down-payment or closing costs assistance;
  - Loan guarantees or other forms of credit enhancement;
  - Development subsidy.

#### **NON-ELIGIBLE HOME ACTIVITIES**

- Public and assisted housing modernization, operation, and preservation activities for which HUD already provides other dedicated funding
- Activities that support the ongoing operation of rental housing;
- Matching funds for other Federal programs.

#### **V. CDBG/HOME PROGRAM ADMINISTRATION, PROCESS AND SELECTION OF FUNDING RECIPIENTS**

The City of Gulfport CDBG and HOME Programs are administered by the Community Development Department of The Department of Urban Development. Staff is responsible for facilitating project implementation, monitoring project activities and outcomes, and ensuring compliance with all HUD requirements and regulations such as

fair housing, Davis-Bacon requirements (prevailing wages), environmental reviews, affirmative action, competitive bid procedures, and fiscal contract administration.

The City of Gulfport encourages citizen participation in the CDBG/HOME process through public hearing meetings, as well as through a published announcement prior to final project and program selection. Through the program year, citizens are given an opportunity to comment on all aspects of the City's CDBG/HOME Program uses and performance. The City is required to prepare both an annual action plan and an annual performance report for HUD identifying community priorities and documenting accomplishments through funded activities, programs, and projects. These reports are available for public review.

Community Development Department staff is responsible for pre-screening all CDBG/HOME Grant Applications in order to determine eligibility with Federal regulations. The eligible applications are then ranked based on a number of factors including, but not limited to: priority needs and local objectives as outlined in the City's Five-Year Consolidated Plan, community input gathered through the public participation process, cost effectiveness of the proposed project including leveraging of CDBG/HOME funds with other resources, and past grant performance by the applicant (if applicable).

Applications and staff recommendations are presented to the City Administration for further review and final recommendations. A draft of the action plan and proposed projects will be available for a 30-day review and citizen comments and a public hearing will be held within that time period. The final recommendation and action plan will be presented to City Council for final determination and submitted to HUD before, however no later than August 16, 2018.

Once the City Council has made its final determination, applicants will be notified in writing of the disposition of their application. All applicants awarded funding will be required to execute a standard HUD CDBG or HOME Sub-recipient or HOME CHDO-Contractual Agreement prior to implementation of their respective project/activity. No funds shall be disbursed to a contract sub-recipient until HUD provides a final award letter to the City of Gulfport, and a contract is fully executed by the respective parties. Throughout the program year, Community Development staff will monitor the performance of the Grant Applicant to ensure compliance with the provisions of the approved contract.