

**Memorandum  
Community & Economic Development Department**



**To:** Thomas E. Thomas, City Manager  
**Subject:** CDBG Allocation Policies for 2015-2016  
**Date:** June 16, 2015

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The process for allocating Community Development Block Grant (CDBG) Entitlement funds starts with City Council providing direction to the Citizen’s Advisory Committee (CAC) on the allocation of CDBG funds.

The change in funding in the past five years has been the following:

| Year<br>Ending<br>March 31 | Total<br>Entitlement<br>Awarded | % Increase<br>/Decrease |
|----------------------------|---------------------------------|-------------------------|
| 2011                       | 1,265,462.00                    | 8%                      |
| 2012                       | 1,059,009.00                    | -16%                    |
| 2013                       | 904,514.00                      | -15%                    |
| 2014                       | 952,980.00                      | 5%                      |
| 2015                       | 949,410.00                      | -.3%                    |
| 2016                       | 932,760.00                      | -1.7%                   |

The CDBG program experienced a net decrease in funding for HUD for the year ending March 31, 2015. Going forward, City staff anticipates an approximate 3% reduction in funding for the period covering April 1, 2016 to March 31, 2017. This would result in a budgeted allocation amount of \$904,777. The actual amount available will not be known until the Spring or Fall of 2016 and is subject to Congressional action.

No major policy changes were made. Copies of the proposed 2016-2017 Policies for Allocating CDBG Funds are attached. The CAC will refer to the approved policies when making funding recommendations for the period covering April 1, 2016 to March 31, 2017.

**Recommendation**

City Council to approve the Community Development Block Grant allocation policies covering the period from April 1, 2016 to March 31, 2017.

**Submitted by:** Jeffery A. Eder, Assistant City Manager / CED Director  
Ben Griffith, Planning & Redevelopment Administrator

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**Approved by:** Thomas Thomas, City Manager

# COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

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**CITY OF ROCK ISLAND**

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**POLICIES FOR ALLOCATING CDBG FUNDS  
COVERING PROGRAM YEAR APRIL 1, 2016 TO MARCH 31, 2017**

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# INTRODUCTION

As an Entitlement Community for Community Development Block Grant (CDBG) funds from the Federal Department of Housing and Urban Development (HUD), the City of Rock Island must establish a process for distributing CDBG dollars. This process allows funds to be allocated in a way that includes local residents, meets various community needs, and targets community development objectives set forth in the City's 2013-2017 Consolidated Plan.

Each year, Rock Island City Council approves a set of policies for allocating CDBG funds. Approval of these policies creates guidelines for the Citizens Advisory Committee (CAC) to make recommendations on the types of programs to fund, as well as recommended amounts. Upon careful consideration of CAC recommendations, City Council then has the discretion to adjust recommendations based on available funding and community needs.

Eligible applicants for CDBG funding include not-for-profit corporations, neighborhood organizations, and units of local government.

In addition, there are three criteria that must be met in order to be eligible for funding consideration:

**1) The activity must meet at least one of three National Objectives established by HUD:**

- a) Benefit to low- and moderate- income Rock Island City residents
- b) Aid in the prevention or elimination of slums or blight within Rock Island City limits
- c) Meet a need having a particular urgency (referred to as urgent need)

**2) The activity must fall into one of six categories of expenses that are eligible for CDBG assistance:**

- a) Acquisition, Disposition, Clearance &/or Relocation
- b) Administration & Planning (subject to 20% cap)
- c) Economic Development
- d) Housing
- e) Public Facilities & Infrastructure Improvements
- f) Public Services (subject to 15% cap)

*\*\*\*Further detail and information on what is eligible under each of these categories and the respective accomplishments to report are included in Appendices A, B, & C.*

**3) The activity must meet at least one of the five priorities within the City of Rock Island's 2013-2017 Consolidated Plan:**

- a) Promote, Increase, and Maintain Homeownership
- b) Provide Safe, Affordable, Decent Housing to Renters
- c) Economic Development, Revitalization, Job Creation
- d) Transitional & Permanent Support Housing & Service
- e) Non-Homeless Persons with Special Needs

Applicants are required to fill out an application and provide supporting documentation. After the applications are reviewed by City staff and the CAC committee, recommendations will be presented to City Council who will approve funding awards.

**FOR HELP OR TECHNICAL ASSISTANCE WITH THE  
APPLICATION, PLEASE CONTACT:**

**Ben Griffith at [griffith.ben@rigov.org](mailto:griffith.ben@rigov.org) or (309) 732-2900**

Based on previous experience, HUD guidance, and Council priorities the remainder of this document addresses allocation for four broad policy areas and related subcategories including:

**1. Housing**

- a. City Housing Rehabilitation Programs
- b. Use of Housing Rehabilitation Program Income
- c. Use of Housing Rehabilitation Carry-Over Funds
- d. CDBG Allocation to Outside Agencies For Housing Activities
- e. Housing Rehabilitation Allocation Adjustments
- f. Demolition
- g. Code Enforcement

**2. Economic Development Activities**

- a. Administrative Activities
- b. CIRLF
- c. Allocation to Outside Agencies

**3. Social Services**

- a. Allocation Amounts
- b. The Martin Luther King Center

**4. Allocations**

- a. CAC Recommendations

**HOUSING ACTIVITIES**

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**POLICY 1: CITY HOUSING REHABILITATION PROGRAMS**

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- 1a. City housing rehabilitation programs will be funded at a level adequate to support programs meeting local needs;
- 1b. Housing rehabilitation programs should be flexible, meet the needs of various income groups, and focus on improving the quality of the housing stock in the City of Rock Island;

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**POLICY 2: USE OF HOUSING REHABILITATION PROGRAM INCOME**

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- 2a. Program income generated by City Housing Rehabilitation programs will be reserved for City housing and neighborhood redevelopment activities and shall be approved by City Council as part of the annual budget process;

- 2b. Principal and interest payments generated from the City's rehab programs should be used as a source that provides additional revenue to reinvest in neighborhoods. When impacted by cuts in federal funding, the program income generated from these loans can be a critical source for keeping rehabilitation programs in operation;
- 2c. The City's loan programs may be made available to residents who are not eligible for other housing programs, or who cannot obtain one-hundred-percent financing from other financial institutions. The City and local lenders work together, in this regard, to leverage funds and produce more home repairs.

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**POLICY 3: USE OF HOUSING REHABILITATION CARRY-OVER FUNDS**

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- 3a. Budgeted but unspent funds (carry-over funds) committed to City housing rehabilitation activities will remain available to those activities;

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**POLICY 4: CDBG ALLOCATION TO OUTSIDE AGENCIES FOR HOUSING ACTIVITIES**

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- 4a. CDBG funds may be allocated to agencies other than the City that have demonstrated the willingness, capacity, and ability to conduct housing rehabilitation and related housing assistance programs. Such outside agencies must also have the capacity to leverage additional resources;
- 4b. CDBG funds may be used for program and administrative expenses associated with housing and neighborhood activities;
- 4c. The Citizens Advisory Committee (CAC) will make recommendations to City Council on which agencies to allocate CDBG funds for purposes of carrying out rehabilitation and neighborhood activities. Decisions of the CAC and subsequent action by City Council will consider the past performance, capacity, and ability of applicant agencies to bring additional funding resources into the Rock Island community to leverage additional projects.

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**POLICY 5: HOUSING REHABILITATION ALLOCATION ADJUSTMENTS**

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- 5a. Community and Economic Development Staff working with the CDBG program may exercise discretion to adjust dollars among Council approved housing and neighborhood programs to meet actual demands. Staff should have flexibility to re-allocate City funds from areas of less prevalent need to areas of more prevalent need (e.g. *shifting funds*

*from an existing or underutilized housing program to meet an emergency homeowner repair);*

- 5b. Shifting or reallocation of funds to meet needs may only occur within the City's housing rehabilitation programs.

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## **POLICY 6: DEMOLITION**

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- 6a. Where eligible, the City should first use Tax Increment Financing (TIF) or Gaming funds to remove vacant, dilapidated structures, when it is unlikely that the owner will provide for the demolition. CDBG funds may be used for this purpose, if funding from TIF or Gaming is unavailable;
- 6b. TIF, Gaming or CDBG funds should only be used for demolition in cases where there is little likelihood that the private owner will undertake the demolition and when the structure cannot be rehabilitated. Where a structure has sustained damage such that it is a total loss, the City will move to have the structure demolished;
- 6c. TIF, Gaming, and/or CDBG funds may be used for the removal of burned out and secondary structures, such as garages, when deemed appropriate by City Staff.

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## **POLICY 7: CODE ENFORCEMENT**

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- 7a. CDBG funds should be used to support code enforcement activities (including the Rental Inspection Program), in an effort to bring substandard dwellings into compliance with minimum housing standards;
- 7b. The Administrative Code Hearing Officer will be used to facilitate compliance from property owners who have not responded to routine notices. Code enforcement efforts will continue to focus on investor-owned properties;
- 7c. The court system will be used as a last resort for gaining code compliance; code enforcement staff will respond on a complaint basis only.

## **ECONOMIC DEVELOPMENT ACTIVITIES**

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## **POLICY 8: ECONOMIC DEVELOPMENT ADMINISTRATIVE ACTIVITIES**

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- 8a. A portion of CDBG administrative funds will be used to support staff work on economic development activities. City staff administer multiple economic development activities including its Commercial Industrial Revolving Loan Fund program (*funded through*

CDBG) and working with businesses to help increase job opportunities, expand the tax base, and revitalize the economy's commercial, office, and industrial sectors.

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**POLICY 9: COMMERCIAL INDUSTRIAL REVOLVING LOAN FUND (CIRLF)  
PROGRAM INCOME**

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9a. Program Income generated by CIRLF principal and interest repayments will be returned to the CIRLF Revolving Loan Fund.

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**POLICY 10: ALLOCATION TO OTHER AGENCIES FOR ECONOMIC  
DEVELOPMENT ACTIVITIES**

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- 10a. CDBG funds may be allocated to agencies outside the City that share a similar economic development strategy. Decisions of the CAC and subsequent action by Council should consider the performance, capacity, and ability of applicant agencies to bring additional revenue into the Rock Island Community;
- 10b. CDBG funds may used for program and administrative expenses associated with carrying out economic development activities,

**SOCIAL SERVICE ACTIVITIES**

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**POLICY 11: ALLOCATION AMOUNTS**

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- 11a. No more than 15% of the City's total CDBG entitlement shall be allocated to social service agencies. This is consistent with federal regulations;
- 11b. No social service agencies shall receive an amount that exceeds the amount of funds requested.

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**POLICY 12: THE MARTIN LUTHER KING COMMUNITY CENTER**

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- 12a. Due to variable CDBG funding, increasing costs at the Martin Luther King Center, and the City's responsibility to operate and maintain the Center, The Martin Luther King Community Center shall be allocated all CDBG social service dollars available to help meet operating and maintenance expenses.

## **CAC AND FUNDING RECOMMENDATIONS**

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### **POLICY 13: CAC AND FUNDING RECOMMENDATIONS**

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- 13a. The CAC will review agency requests and make funding recommendations to City Council. Recommendations will take into consideration the performance, cost effectiveness, capacity, and objectives of the applicant agency;
- 13b. The CAC shall have the discretion to not recommend funding of an agency, based on an assessment of the most cost effective commitment of CDBG funds. If it is determined that a small allocation to an agency shall be more productively used by another agency, or if the request does not meet a significant need in Rock Island, the CAC can recommend no funding.



**CDBG FUNDING  
APPLICATION FORMS AND INSTRUCTIONS  
HUD PROGRAM YEAR 2016  
APRIL 1, 2016 – MARCH 31, 2017**

**Applications due: by 3pm on Friday, July 17, 2015**

Late applications will not be accepted.

**Please Submit:**

**1 Original Application (hard copy) to:**

**Ben Griffith, Planning & Redevelopment Administrator  
1528 Third Avenue, Rock Island, IL 61201**

**&**

**1 Electronic Copy (PDF) to:**

**[griffith.ben@rigov.org](mailto:griffith.ben@rigov.org)**

**Required formal presentation of the application contents are tentatively scheduled for the nights of July 30<sup>th</sup> and August 4<sup>th</sup>. City staff will be contacting each applicant to schedule their presentation after all applications have been received.**

The Community Development Block Grant is a reimbursement program funded by the U.S. Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, as amended (P.L. 93-383). The City of Rock Island's entitlement allocation for HUD program year 2016 is projected to be in the amount of \$904,777.

HUD awards grants to entitlement communities for the purpose of community development activities intended to revitalize neighborhoods, facilitate economic development, and improve community facilities and services. City of Rock Island's Consolidated Plan, which was developed with citizen participation and input, describes the programs and funding objectives established for the five-year period from 2013 – 2017. The City's Annual Action Plan is prepared each year to describe the implementation of the five-year Consolidated Plan.

## **APPLICATION PROCESS AND REVIEW CRITERIA**

**Eligible applicants for CDBG funded projects funding must be:** 501(c)(3) non-profit organizations, government agencies, school districts, institutions of higher education or, under limited circumstances, for-profit businesses.

Applicants are required to fill out an application and provide supporting documentation. After the applications are reviewed by City Staff and the Citizen's Advisory Committee, recommendations will be presented to the City Council who approves funding awards. Applications will be evaluated based on the following criteria:

### **Minimum requirements (Project/Program has to meet all 3 criteria to be qualified for funding):**

1. M  
Meets at least one of three National Objectives established by HUD:
  - Benefit to low- and moderate- income persons
  - Aid in the prevention or elimination of slums or blight
  - Meet a need having a particular urgency (urgent need)
  
2. M  
Meets Criteria for Eligible Activity – all eligible activities are listed in CFR 24 Part 570.
  - Acquisition, Disposition, Clearance &/or Relocation
  - Administration & Planning
  - Economic Development
  - Housing
  - Public Facilities & Infrastructure Improvements
  - Public Services (subject to 15% cap)
  
3. Meets at least one priority within the Consolidated Plan which are:
  - Promote, Increase, and Maintain Homeownership
  - Provide Safe, Affordable, Decent Housing to Renter
  - Transitional & Permanent Support Housing & Service
  - Non-Homeless Persons with Special Needs
  - Economic Development, Revitalization, Job Creation

**If the project does not meet all three basic requirements, it will not be considered for CDBG funding.**

Project/Program Evaluation Criteria:

1. *Project/Program benefits low- and moderate income persons* – max amount of points will be given to the activities that benefit at least 51% low and moderate income persons (5%).
2. *Project/Program addresses a documented community need/benefit* - The activity will be evaluated in terms of the documentation and justification of the need and benefit of the activity (25%).
3. *Project/Program addresses objectives of consolidated plan* - Project addresses priorities and objectives of the consolidated plan that fall within the five categories listed above. For detailed description please see City of Rock Island Consolidated Plan (10%).
4. *Cost reasonableness* - The activity will be evaluated in terms of:

- 1) Impact on the identified need; and
- 2) Its implementation costs and funding request

Evaluation may include the cost incurred per person/per unit and the justification for a particular level of funding (10%).

- 5. *Demonstrated capacity to complete the project/program readiness* - Points will be awarded to applicants based on the documentation and information provided showing that the resources needed to manage the proposed activity are available and ready (20%).
- 6. *Extent to which CDBG funds are leveraged against other funds* - Points will be awarded based on the applicants efforts to secure other funding for the activity (15%).
- 7. *Experience and past performance* - The experience of the applicant, including the length of time in business and experience in undertaking projects of similar complexity will be evaluated. In addition, the applicant will be evaluated in terms of past performance with local, state and federal funding programs. Performance will be evaluated on attainment of objectives, expenditure of funds at a reasonable rate, and compliance with the contract (10%).
- 8. *Application completeness* - Applications which are complete, accurate and thorough will receive max amount of points (5%).

Final funding allocations are tentatively scheduled to be approved by the City Council in September 2015 and approved by HUD in the Spring/Summer of 2016. Final allocation amounts will not be available to each applicant until HUD provides their approval of the annual action plan in the Spring/Summer of 2016.

Staff from the City of Rock Island will meet with applicants who are awarded funding to discuss the requirements and responsibilities under CDBG including Environmental Review, Procurement Methods, Labor standards, etc. Awarded applicants will be provided with technical assistance if necessary. Applicants are strongly encouraged to familiarize themselves with these requirements before applying.

**FOR HELP OR ASSISTANCE WITH THE APPLICATION, CONTACT:  
Ben Griffith at [griffith.ben@rigov.org](mailto:griffith.ben@rigov.org) or (309)732-2900**

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**For Office Use Only**

| Submittal Type                         | Date Received | Staff Initial |
|--|---------------|---------------|
| <input type="checkbox"/> Hand Delivery |               |               |
| <input type="checkbox"/> Mail Delivery |               |               |



**APPLICATION**

CITY OF ROCK ISLAND, IL  
 CDBG & GAMING GRANT  
 HUD PROGRAM YEAR 2016  
 April 1, 2016 – March 31, 2017

|  |  |             |  |  |  |
|--|--|-------------|--|--|--|
| Agency Name:   |  |             |  |  |  |
| Name of Project/Program:   |  |             |  |  |  |
| Agency Address ( <i>inc. City, State, Zip</i> ):   |  |             |  |  |  |
| Amount of Funding Requested:   |  | \$          |  |  |  |
| FEIN/EIN/Tax I.D. #  |  | DUNS #:     |  |  |  |
| Contact Person Name and Title: ( <i>This person will be the contact for this grant application during the review process</i> ) |  |             |  |  |  |
| Contact Person Telephone:  |  | Fax Number: |  |  |  |
| Contact Person E-mail:   |  |             |  |  |  |

**Certification:** To the best of my knowledge and belief, data in this application are true and correct, the document has been duly authorized by the governing body of the applicant, and the applicant will comply with all regulations and applicable to the City of Rock Island's Community Development Block Grant program. **Submit one (1) Original Application (hard copy), and one (1) Electronic copy (PDF) of the Application to the mailing and email addresses listed on the coversheet. Additionally, one (1) copy of each of the following documents must be attached if the applicant is not within the Community and Economic Development Department of the City of Rock Island (please label each document):**

- A. Letter from Agency's governing Board authorizing application for CDBG funds
- B. Background/Overview of Programs and Services Provided by Agency
- C. Audit and Annual Financial Statement
- D. 501(c)(3) determination (if applicable)
- E. Organizational Chart

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Signature of Executive Director Date

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Print Name

**I. Consolidated Plan Priorities and Objectives (must select one)**

- Promote, Increase, and Maintain Homeownership
- Provide Safe, Affordable, Decent Housing to Renter
- Transitional and Permanent Support Housing and Service
- Non-Homeless Persons with Special Needs
- Economic Development, Revitalization, Job Creation

**II. National Objectives Criteria – projects to qualify for CDBG must meet one of the national objectives. If your project does not fit into one of the most commonly used categories listed below, please mark “Other.”**

**A. Please select how your project will serve the low and moderate income population:**

Benefit to low and moderate income population:

Low-Med Area Benefit (LMA) - An activity that benefits all residents in a particular area where at least 51% of the residents are low- and moderate-income persons as determined by the most recently available decennial Census information.

Limited Clientele (LMC) - Activities under this category require documentation on family size and income in order to show that at least 51% of the clientele served are low- and moderate-income OR must benefit a Limited Clientele that is generally presumed to be principally low- and moderate-income (abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers).

Housing (LMH) - An activity undertaken for the purpose of providing or improving permanent residential structure(s) which, upon completion, will be occupied by low- and moderate-income persons at an affordable rate. If structure contains more than one unit, at least 51% must be occupied by low- and moderate-income persons.

Job Creation or Retention (LMJ) – The activity must be designed to create or retain permanent jobs where at least 51% of which (computed on a full-time equivalent basis), will be made available to or held by LMI persons. Construction jobs are not considered to be “permanent” jobs.

Other, please explain:

**B. Please answer yes or no to each of the following. Is the purpose of this activity to:**

|   | <u>YES</u> | <u>NO</u> |
|---|------------|-----------|
| Help prevent homelessness?                |            |           |
| Help the homeless?                        |            |           |
| Help those with HIV/AIDS?                 |            |           |
| Primarily help persons with disabilities? |            |           |
| Remove architectural barriers?            |            |           |

### III. Project Readiness

#### A. Population Served

To meet CDBG requirements your project must serve at least 51% low/moderate income Rock Island residents.

**2015 HUD INCOME GUIDELINES – DAVENPORT, MOLINE, ROCK ISLAND MSA**  
(Designations based upon percentage of area median income (AMI) as defined by HUD)

| Family Size | 30% of AMI<br>Extremely Low Income | 50%<br>Very Low Income | 80%<br>Low Income |
|-------------|------------------------------------|------------------------|-------------------|
| 1           | \$14,000                           | \$23,300               | \$37,250          |
| 2           | 16,000                             | 26,600                 | 42,600            |
| 3           | 20,090                             | 29,950                 | 47,900            |
| 4           | 24,250                             | 33,250                 | 53,200            |
| 5           | 28,410                             | 35,950                 | 57,500            |
| 6           | 32,570                             | 38,600                 | 61,750            |
| 7           | 36,730                             | 41,250                 | 66,000            |
| 8           | 40,890                             | 43,900                 | 70,250            |

There are different methods for determining how your project meets this requirement.

**If your project meets 51% low/moderate income population requirement, please check only ONE of the following:**

- My project exclusively serves elderly, severely disabled adults, homeless persons, illiterate adults, migrant farm workers, abused children, persons with AIDS or battered spouses.
- My project does not serve populations listed above, but it serves 51% low/moderate income individuals whose income is verified.
- My project will only serve a specific geographic area that is deemed low/moderate income by census data.
- My project does not meet 51% low/moderate income population requirement.

**B. Project Impact**

Indicate the number of Rock Island residents that are expected to benefit from your project.

| <b>Income Range</b><br>*MFI means Median Family Income   | <b>No. of Persons/Households Benefitted</b> |
|--|---|
| <b>TOTAL number served:</b>  |   |
| <b>What percentage of your total number of clients is considered Low-Mod income (0-80% MFI)?</b> |   |

**C. Project Description.** Describe the project and proposed schedule for which you are requesting funds pursuant to this application. Please, be as specific as possible. This description will be also used to determine the eligibility of the project.

**D. Why is this project needed by Rock Island residents?** Describe supporting research/documentation presenting the need for this type of project and how it will address that need (limit 1,500 characters).

**E. Non-duplication of services.** What other agencies in the Rock Island area offer this project/public service? Describe how have you collaborated and/or communicated with this/these organization(s) to ensure services are not duplicated (limit 1,500 characters).

#### **IV. Organizational Readiness**

**A. Capacity** Briefly describe the capacity of the agency to complete this project within the timeframe of this grant (April 1, 2015-March 31,2016) and indicate what the organization resources are to be used in managing and carrying out the proposed project (e.g. capacity of staff, impact to agency workload, etc) If you're applying for public service activities, please specify how these funds will increase your programs capacity from last year (limit 1,500 characters).

**B. Past Performance** Describe organization's experience with grants requiring accomplishment and/or performance reporting. List Federal/State grants that the applicant has received in the past 3 years (limit 1,500 characters). Please highlight any experience with CDBG and/or federally funded grants.

**V. Project Cost**

**A. Cost Reasonableness** Describe how the agency determined the project costs (e.g. selection of project bids, etc) and why these costs should be considered reasonable (limit 1,500 characters).

**B. Impact of CDBG Funding** How will these funds expand your organizations effectiveness and/or improve your project? (limit 1,500 characters)

**VI. Funding Information**

**A. Source of Funds**

Please list ALL funding sources that will be used to carry out the project, including the funds requested per this application.

| Source of Funds            |  |           |   |
|----------------------------|--|-----------|---|
| Source:                    |  | Amount:   | Type:<br>(examples: grant, loan,<br>restricted donation, etc) |
| 1                          |  |           |   |
| 2                          |  |           |   |
| 3                          |  |           |   |
| 4                          |  |           |   |
| 5                          |  |           |   |
| 6                          |  |           |   |
| 7                          |  |           |   |
| 8                          |  |           |   |
| 9                          |  |           |   |
| 10                         |  |           |   |
| <b>Total Project Cost:</b> |  | <b>\$</b> |   |

**B. Budget Detail Table**

Based on the information you provided in the table on the previous page, in the table below please provide DETAIL on the costs for the proposed project. Please indicate for each item the total cost, and how much of the total is proposed to be paid for with CDBG funds. An example budget table is provided for your information.

| Applicant Agency Name:                                | Project Cost |                   |
|---|--------------|-------------------|
| Name of Project/Program:                              | CDBG         | Total All Sources |
| <b>Project Implementation (Direct Project Costs)</b>  |              |                   |
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| <b>(A) Subtotal Project Implementation:</b>           |              |                   |
| <b>Personnel/Other Costs (Project Administration)</b> |              |                   |
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|   |              |                   |
| <b>(B) Subtotal Personnel/Other Costs:</b>            |              |                   |
| <b>(A + B) = TOTAL CDBG REQUEST:</b>                  |              |                   |
| <b>(A + B) = TOTAL PROJECT COST - ALL SOURCES:</b>    |              |                   |

**EXHIBIT E: SAMPLE BUDGET ITEMIZATION WORKSHEET**

Note: The completed sample worksheet is intended to show the level of detail we are seeking for the budget only and does not necessarily reflect appropriate project cost effectiveness, leveraging ratios, or other application criteria.

| Applicant: DO GOOD ORGANIZATION  | Activity Cost      |                    |
|--|--------------------|--------------------|
|  |                    | Total All Sources  |
| Activity: XYZ PUBLIC SERVICE ACTIVITY  |                    |                    |
| <b>Program Implementation (Direct Program Costs)</b>   | <b>CDBG only</b>   |                    |
| Task 1: Develop workshop training materials  | \$10,000.00        | \$15,000.00        |
| Task 2: Newspaper ads for workshop (12 @ \$125 ea.)  | \$1,000.00         | \$1,500.00         |
| Task 3: TV and radio ads (6 @ \$350 avg. ea.)  | \$1,000.00         | \$2,100.00         |
| Workshop classroom rent, including utilities: 8 hrs./mo. @ 25.00/hr for 4 months (Redding location) (See attached Budget Exhibit A: Rent quotation for 1000 Pine Street, Suite 200, Redding) | \$800.00           | \$800.00           |
| Workshop supplies (pencils, chalk, paper supplies, pens, etc.) @ \$5.00 per student, 300 students per year. (See attached Budget Exhibit B: Cost itemization from Office Depot)              | \$0.00             | \$1,500.00         |
| <b>TOTAL Program Implementation</b>  | <b>\$12,800.00</b> | <b>\$20,900.00</b> |
| <b>Personnel/Other Costs (Program Administration)</b>  |                    |                    |
| Workshop Coordinator: 1,000 hours @ 25.00/hr., including benefits (developing and conducting workshops)  | \$25,000.00        | \$25,000.00        |
| Workshop Clerical Support: 240 hours @ 11.50/hr., no benefits (typing workshop materials, program accounting)  | \$2,760.00         | \$2,760.00         |
| Workshop Manager: 48 hours @ 55.00/hr., including benefits (general grant administration)  | \$2,640.00         | \$2,640.00         |
| Workshop staff travel expenses, 120 miles round trip @ 0.30 per mile between Burney classroom site and Redding, 2 X per month for 5 months (includes set-up and close down of site)          | \$360.00           | \$360.00           |
| Annual subscription to "Workshop Times" magazine   | \$0.00             | \$25.00            |
| 1-day seminar "Workshop Techniques for the 21 <sup>st</sup> Century" in Sacramento, August 2005, for 2 staff persons @ \$500.00 each (includes seminar fee, travel, lodging, and meals)      | \$0.00             | \$1,000.00         |
| <b>TOTAL Personnel/Other Costs</b>   | <b>\$30,760.00</b> | <b>\$31,785.00</b> |
| <b>TOTAL CDBG REQUEST</b>  | <b>\$43,560.00</b> |                    |
| <b>TOTAL ACTIVITY COST - ALL SOURCES</b>   |                    | <b>\$52,685.00</b> |

**C. Project Sustainability**

CDBG is not a guaranteed funding source. Describe the following: 1) How will your agency implement this project, should funds not be awarded as requested; and 2) If funded, how will your organization continue this project if CDBG funds are not available in future years.