

Program Year (PY) 2025-26

Overview of City & CDBG Requirements



Agenda

- Background
- Playing By the Rules Handbook
- Qualifying Criteria that Activity Primarily Benefits Low/Mod Income Beneficiaries (LMI)
- Income Limits for Low-Income Persons
- Annual Subrecipient Agreements
- Reimbursement Requests
- CDBG Timesheets
- Activity Reports
- Programmatic and Financial Monitoring
- Questions

Path to Success

<https://www.hudexchange.info/resource/687/playing-by-the-rules-a-handbook-for-cdbg-subrecipients-on-administrative-systems/>



Playing by
The Rules
Handbook

Technical
Assistance

Successful
Monitoring
Review

Qualifying Criteria for Public Service Activities

D. HUD Low Mod Income National Objective Options *(Please select one of the three categories below)*

1. Low Mod – Limited Clientele Activities Category

The HUD National Objective your project will meet is Low Mod Income (LMI) which benefits low and very low-income persons as defined by HUD's income limits for Santa Clara County.

The Low Mod Limited Clientele (LMC) Category is the category under the LMI national objective your project will meet. Under the LMC category, at least 51% of the beneficiaries of an activity must be LMI persons.

Put a check (X) next to the qualifying criteria below your LMC project activity meets, only select one:

- a) The activity will exclusively serve a group of persons in any one or a combination of categories generally presumed to be low, very low, or extremely low income: abused children, battered spouses, elderly persons, adults meeting the definition of "severely disabled" in the Bureau of Census's Current Population Reports, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
- b) The activity will require documentation on family size and income to document that at least 51% of the clientele are persons whose family income does not exceed HUD income limits for Santa Clara County; or
- c) The activity will have income eligibility requirements that limit the activity exclusively to low, very low, and extremely low-income persons; or
- d) The activity will be of such a nature and in such a location that it may be reasonably concluded that the activity's clientele will primarily be low, very low, or extremely low-income persons.

Reporting Income Data

If an LMC activity is limited to assisting one or more of the presumptive benefit groups, report the number of persons benefitting under the following income categories unless you have information that supports reporting them under a different income category.

Group	Income Level
Abused children	Extremely low income
Battered spouses	Very low income
Severely disabled adults	Very low income
Homeless persons	Extremely low income
Illiterate adults	Very low income
Persons with AIDS	Very low income
Migrant farm workers	Very low income
Elderly	Low income (for center-based senior services)
	Very low income (for non center-based services)

If an activity serves a combination of these groups, identify the number in each group and report those numbers under the appropriate income levels. Estimate race/ethnicity categories either by observation or by using numbers proportionate to the general population.

Nature/Location Activities: Report all beneficiaries as low income unless you have information to support reporting them under another income category.

Activities Providing Access for Persons with Disabilities: For LMC activities carried out under 570.2008(a)(2)(ii), report all beneficiaries as very low income unless you have information to support reporting them under another income category.

2025 HUD Income Limits for Santa Clara County Effective May 1, 2025

https://www.huduser.gov/portal/datasets/il/il2025/select_Geography.odn

FY 2025 Income Limit Area	Median Family Income	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
San Jose- Sunnyvale- Santa Clara, CA HUD Metro FMR Area	\$195,200	Very Low (50%) Income Limits (\$)	70,350	80,400	90,450	100,450	108,500	116,550	124,600	132,600
		Extremely Low Income Limits (\$)*	42,200	48,200	54,250	60,250	65,100	69,900	74,750	79,550
		Low (80%) Income Limits (\$)	111,700	127,650	143,600	159,550	172,350	185,100	197,850	210,650

Annual Subrecipient Agreements

- Agreements currently being drafted
- Expected to be complete by October 2025
- Pending correspondence from HUD

Reimbursement Requests

Due Quarterly: Oct. 15, Jan. 15, April 15th

- Grant Closeout due: July 10th – extra time this year, critical need to submit timely
- Reimbursement request as well as source and reconciliation documentation to verify each cost billed to the CDBG Program.
- Form summarizing total costs billed to assist with verification of billing.
- Allowable costs for Public Services Subrecipients is limited to: salaries, benefits, and indirect costs with the allowable 15% de minimis indirect cost rate or a Cognizant (Federal) Agency approved indirect cost allocation plan.

Reimbursement Request- Page 1

City of Gilroy
CDBG Grant Reimbursement Request

Agency Name	Address	Project Name
Preparer's Name	Phone and Email	Fiscal Year
Gilroy Grant Amount	Expenditures this Quarter	Quarter

	List actual # of unduplicated clients served each quarter.	Beginning Gilroy Grant Balance	Total Reimbursement Requested	Gilroy Grant Balance Remaining
Quarter 1				
Quarter 2				
Quarter 3				
Quarter 4				

Comments

Supporting Backup for Costs Billed to Gilroy Grant: All reimbursement requests require supporting documentation, approved by HCS staff, for each cost billed to the Gilroy grant such as payroll information, timesheets (time and activity sheets) showing Gilroy funded vs. non-Gilroy funded hours, invoices, receipts, cancelled checks, percentage of cost allocated to Gilroy grant, etc.

Reimbursement Request- Page 2--Budget Page

Quarter / Fiscal Year _____ Project Name _____ Phone and Email _____

Expenditures Report – List proposed contract budget, quarter expenditures, & expenditures to date.



City of Gilroy CDBG Grant	Proposed Contract Budget For This Quarter	Actual Line-Item Expenditures Billed To Grant This Quarter	Actual Gilroy Grant Expenditures To Date
Salaries			
Benefits			
Indirect Costs (if applicable)			
Total:			

NOTE: Any changes to your contract budget require prior approval.

City will not reimburse indirect costs unless a HUD approved indirect cost allocation plan is on file.



Documentation Required

Invoices, timesheets, etc. complete with reconciliation documents (payroll reports or invoices, and cancelled checks and bank statements)

CDBG Timesheet

Track CDBG vs. non CDBG hours worked

Date	Day	CDBG Activity Code(s)	CDBG Activity Hours	Other Activity Code(s)	Other Hours	CDBG ABS Hrs.	Off / ABS Hours	Total Hours
<i>ie.</i>	<i>Mon</i>	<i>Z, Y</i>	<i>3.5</i>	<i>U, V</i>	<i>4.5</i>		<i>0</i>	<i>8</i>
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
TOTAL			0		0	0	0	0

CDBG Activity Codes*	
<i>ie.</i>	<i>Case Management</i>
A	
B	
C	
D	
E	
F	
Other activities unique to this project may be used to supplement or in place of this list.	
Other Activity Codes	
<i>ie.</i>	<i>Program Administration</i>
J	
K	
L	
M	
N	
I certify that the information provided in this form accurately accounts for total activity performed.	
X	
Employee signature	Date:
X	
Supervisor signature	Date:
CDBG % Time:	#DIV/0!
(TOTAL CDBG Activity Hours divided by TOTAL HOURS)	

Tracking the Grant in Accounting System

Agreement Requirements

- Provide a revenue account code/class
- Provide an expenditure account code/class

Beneficiary Data Report New in 2025-2026

- **Number of unduplicated beneficiaries reported must match the total number of races reported and incomes reported**

Beneficiaries by Race & by Hispanic/Latino Origin	Qtr. 1		Qtr. 2		Qtr. 3		Qtr. 4		TOTAL	
	Race Count	Of Race, # of Hispanics	Race Count	Of Race, # of Hispanics	Race Count	Of Race, # of Hispanics	Race Count	Of Race, # of Hispanics	Race Count	of Hispanics
White	192	65	90	25	140	53	115	36	537	179
Black/African American	16		9		5		19		49	0
Asian	1				3		2		6	0
American Indian/Alaska Native									0	0
Native Hawaiian/Pacific Islander					2				2	0
American Indian/Alaska Nat & White									0	0
Asian & White									0	0
Black/African American & White									0	0
American Indian/Alaska Nat & Black									0	0
Other Multi-Racial									0	0
Total:	209	65	99	25	150	53	136	36	594	179
Beneficiaries by Income	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	TOTAL					
0% - 30% (Extremely Low-Income)		82	35	55	49	221				
30% - 50% (Very Low-Income)		66	38	41	48	193				
50% - 80% (Low-Income)		50	12	33	24	119				
80% + (Above Moderate-Income)		11	14	21	15	61				
Total:		209	99	150	136	594				

All cells highlighted in bright yellow must have the same total

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Beneficiary Data Report New in 2025-2026, Continued

- **Number of unduplicated beneficiaries reported must match the total number of races reported and incomes reported**

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Total:	209	99	150	136	594

Beneficiaries by HUD Outcome Measurements

How many beneficiaries have new or continued access to this service or benefit?

How many will have improved access to this service or benefit?

How many will receive a service or benefit that is no longer substandard?

	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	TOTAL
How many beneficiaries have new or continued access to this service or benefit?	209	99	150	136	594
How many will have improved access to this service or benefit?					0
How many will receive a service or benefit that is no longer substandard?					0
Total:	209	99	150	136	594

Disabled Beneficiaries

Of the residents served, how many were disabled?

	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	TOTAL
Of the residents served, how many were disabled?	61	17	28	26	132

I certify that the above information is correct and that supporting documentation is on file.

Program Manager

Name	Title	email	Tel #	Date
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3-5 Narrative Questions Report Due Each Quarter

- Describe any challenges encountered during this reporting period, significantly hindering your ability to meet one or more project goals, reimbursement request deadlines and/or activity report deadlines, and any steps you have taken to resolve the issues. (All Quarters)
- Describe in detail how the performance measurement methodology was implemented. What information was collected to gauge success on performance measures? (Q1)
- Describe specific, tangible evidence of successes resulting from beneficiaries' participation in this project. (Q2, Q3, Q4)
- Describe the characteristics and size of the total population served. (Q2, Q4)
- Describe the outreach efforts your staff has employed or plans to employ to reach out to all persons without regard to race, color, religion, national origin, sex, disability, or familial status. (Q1)
- How do the activities being provided under this grant contribute to meeting the performance measures stated in the contract? (All Quarters)
- Please discuss each proposed activity and its unit of service as listed in your agreement; indicate the proposed quarterly output goal and actual number achieved. (Q2, Q4)

3-5 Narrative Questions Report Due Each Quarter

Example 2nd Quarter Report

2nd Quarter Narrative Report: Provide a summary of program accomplishments for the reporting period. The number of residents served should equal the number of unduplicated clients served that is reported on Pg 1. Limit narrative report to space provided.

1. How do the activities being provided under this grant contribute to meeting the performance measures stated in the contract?
2. Describe the characteristics and size of the total population served.
3. Describe any challenges encountered during this reporting period, significantly hindering your ability to meet one or more project goals, reimbursement request deadlines and/or activity report deadlines, and any steps you have taken to resolve the issues.
4. Describe specific, tangible evidence of successes resulting from beneficiaries' participation in this project.
5. Please discuss each proposed activity and its unit of service as listed in your agreement; indicate the proposed quarterly output goal and actual number achieved.

Reporting Beneficiary Income Levels

Area Median Income

- Median family income of a geographic area of the state, pursuant to Section 8 of the United States Housing Act of 1937. **(HUD)**

Extremely Low-Income Family - ELIGIBLE

- 0-30 % of area median income.

Very Low-Income Family - ELIGIBLE

- 30-50 % of area median income.

Low/Mod-Income Family - ELIGIBLE

- 50-80 % of area median income.

Above 80% Income Family – (ELIGIBILITY dependent on qualifying criteria agency chooses)

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Income Verification & Documentation

- Third-Party verifiable supporting documentation (easiest) (social security, social services, free-reduced lunch, utility bill from living in low-income apartment complex, etc.)
- Self-Certification of family income (form available from city - only if no other backup is available)
- Presumed Benefit Category - no income documentation required if beneficiary is a member of specific group (abused children, elderly persons, battered spouses, homeless persons, severely disabled adults, illiterate adults, persons living with AIDS, and migrant farm workers)
- Part 5 Definition – (hardest) requires request of income documentation such as taxes, pay stubs, other income, asset income/calculate anticipated income for 12-upcoming months (required for rehabilitation program)

Reporting Female Headed Household and Disability

Only if you are a Home Repair or Housing Program you are also reporting on:

- Female and Disabled Households
- Housing Units

Program Monitoring

- **Financial Files-** invoices, timesheets, payroll reports, reconciliation documents, contracts, procurement files, delegation of duties, policies and procedures, etc. Retain for minimum 4 years in secure location.
- **Outputs, outcomes-** Projections vs Actuals
- **Demographics** – Tracking system, file review, confirmation of clients living within city limits <http://profile.sccdapps.com/>
- **Income certification** – signature/date on intake form (income limits used)
- **Income verification documentation-** Eligibility, documentation, file review
- **Outreach** (flyers must include: CDBG acknowledgement, non-discrimination, hearing impaired)
- **Evidence actual clients served** (sign-in sheets)

Questions?

Presentation will be posted at www.cityofgilroy.org/cdbg.

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