

**HUMAN SERVICES & COMMUNITY DEVELOPMENT BLOCK GRANT
FY 2025-2026 FUNDING CRITERIA**

1. Proposed programs/projects must primarily benefit low- and moderate-income residents, as defined by the U.S. Department of Housing and Urban Development.
2. Capital Project and Housing Rehabilitation applicants must be tax-exempt 501(c)(3) non-profit organizations incorporated or organized in the State of California or another state of the United States, or local units of government, whose proposals directly benefit low- and moderate-income City of Santa Barbara residents. Housing Rehabilitation applicants must be established affordable housing providers within the City of Santa Barbara. Economic Development applicants may be for-profit entities if they provide technical assistance, advice, and business support services to owners of microenterprises and persons developing microenterprises per CFR 570.201(o)(1)(ii).
3. Proposals must address specific social or physical needs and conditions of the people they propose to serve. Documentation could include social indicators, demographic data, surveys, community plans, and need as perceived by potential consumers.
4. Economic Development Proposals must identify at least one and no more than three Measurable Outcomes, which are defined as: Specific and realistic results or changes that a client will experience from participating in the applicant's program or receiving the applicant's service.
5. Proposals must present a marketing strategy, which includes specific efforts to reach ethnic communities.
6. Proposals must demonstrate support from the people for which the program is proposed.
7. Applicants must clearly identify all funding sources and justify their proposal if services are available through another source.
8. Applicants shall demonstrate financial stability. Applicants shall seek funding, or demonstrate funding support from diverse public/private sources. The City shall not be committed to total support of a program, nor shall the City be committed to continuing funding in the case that other support is withdrawn. Administrative/overhead costs shall be held to reasonable levels. Additionally, applicants shall demonstrate sufficient net assets or operating reserves to cover the organization's liabilities, operating deficits, or debt.
9. City CDBG funds shall support only those services and projects that directly benefit residents of the City of Santa Barbara. Programs operated on a countywide or regional basis must show documentation that: (a) services benefit City residents, and (b) sufficient funds are available to support non-city residents.
10. Proposals shall identify geographical areas where they propose to provide services.

11. Proposals that pay the local minimum wage (as described in Chapter 9.128 of the City of Santa Barbara Municipal Code) to all staff for which Economic Development funds are requested shall receive an extra point in the rating process.

GRANT APPLICATION REVIEW AND INTERVIEW PROCESS

A thirteen-member committee appointed by the City Council will review submitted proposals and make funding recommendations to the City Council. The City Council makes final decisions on funding. The Community Development and Human Services Committee (CDHSC) includes representatives of the following groups:

- Youth-Oriented Services
- Business/Economic Development Community
- Human Services
- Latino/Hispanic Community
- African American Community
- Senior Citizens
- Homeless-Related Services
- Four (4) Low Income Neighborhoods: Eastside, Westside/Lower Westside, Downtown Area, and Oak Park
- Disabled Community
- Housing Authority Representative

The Committee may request additional information on any part of the submitted written proposal. Applicants are advised that they may be invited to an interview before the committee to answer questions or will receive a written request for additional information from city staff.

In reviewing applications, the following evaluation criteria are used by the CDHSC:

- **Agency:** Applicant's track record or past performance; salaries too high or too low; large wage disparity between management staff and program staff;
- **Board:** Composition of board; their role within the organization; diversity of board members (e.g. racial, ethnic, socioeconomic, etc.); and level of involvement by board members;
- **Program:** Applicant has bi-cultural/bi-lingual staff, the quality of services provided, staff capacity (e.g. training, experience, client to staff ratio), program corresponds with the agency's mission, level of program monitoring;
- **Measurable Outcomes:** Applicants must identify realistic, measurable results or changes that a client will experience from receiving the program service;
- **Need:** Level of duplication of service, extent of collaboration with other agencies, composition/diversity of clients, target population, funding request corresponds to the number of clients served; and
- **Finances:** Agency revenue/expenses are identified, percentage of non-City funding sources secured, diversity of funding sources, overreliance on City funds, high amount of year- end excess or deficit funds, significant increase or decrease in request from prior year, assets and financial stability of the organization.

For Capital and Housing Rehabilitation proposals, these additional categories are evaluated:

- **Project Description:** Scope of project is clearly defined, it meets federal, state and local requirements, and the project is feasible;
- **Project Need:** Applicant identifies whom will benefit from the project, there is clear identification of need, the project will satisfy demonstrated need, the project aligns with the applicant's mission;
- **Project Cost:** Itemized cost estimate from a contractor is provided, the cost is reasonable, the project can be completed without full City funding, and applicant's demonstrated leveraging of other funding.