City of Santa Barbara
Human Services and CDBG Program
Frequently Asked Questions

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Got more questions?

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www.SantaBarbaraCa.gov/HumanServices

ABOUT THE PROGRAM

WHAT TYPES OF GRANTS ARE AVAILABLE?

There is one type of grant available: Public Service/Human Service.

Public/Human Services - Grants under this category can be used to support direct social services that are provided to low or moderate-income persons residing within the City of Santa Barbara. Grant funds can be used to support program expenses such as staff salaries/benefits, program supplies, facility rent/leasing costs, etc. These funds shall not be used for capital improvements, equipment purchases or mortgage payments.

WHAT ARE THE AVAILABLE FUNDS UNDER EACH CATEGORY?

The anticipated amount available for CDBG and Human Services grant funding is approximately $852,000.

The available funds are estimates as the City will not receive confirmation of its actual FY 2027-2028 CDBG allocation from HUD until May 2027 at the earliest. For this application process, the available grant funds are based on anticipated level funding from the City's FY 2026-2027 allocation, plus prior-year unexpended funds.

The Santa Barbara City Council has committed $726,150 in City General Funds for the Human Services Grant program for Fiscal Year 2026-2027.

WHAT IS THE GRANT PERIOD?

The grant-award period is from July 1, 2027 to June 30, 2028. All grant funds must be expended within the grant period. Human Service and Public Service grants may be extended for one additional year upon satisfactory grantee performance and continued appropriation of funds.

WHAT TYPES OF PROJECTS ARE ELIGIBLE TO APPLY FOR THIS NOTICE OF FUNDING AVAILABILITY?

Public/Human Services - Grants under this category can be used to support direct social services that are provided to low or moderate-income persons residing within the City of Santa Barbara. Grant funds can be used to support program expenses such as staff salaries/benefits, program supplies, facility rent/leasing costs, etc. These funds shall not be used for capital improvements, equipment purchases or mortgage payments.

WHAT ARE FY27 FUNDING PRIORITIES?

Applicants must present a clear and compelling argument for funding under the priorities as described.

For Public/Human Services grants the priorities are as follows:

First Priority: Programs that help meet basic human needs - specifically food, shelter/housing, medical (physical and mental); and

Second Priority: Proposals that are preventative in nature and/or reduce the impact of violence including the prevention of gun violence and suicide and/or promote the highest degree of functioning the individual is capable of achieving.

For CDBG funds the City's priorities are as follows:

Homeless Assistance: Programs that provide services to homeless individuals and families, and victims of domestic violence;

Community Development Needs and Services: Support childcare centers and/or programs that provide childcare; community centers or agencies that provide youth educational/recreational and/or senior programs; and/or health centers that provide mental health services;

IS THERE A MINIMUM GRANT AMOUNT?

Yes, the minimum grant award amount in Public/Human Services is $9,000. If an application for less than $9,000 is submitted it will not be considered for funding.

WHAT IS THE CITY'S FUNDING CRITERIA FOR APPLICANTS?

The following criteria apply to programs applying for Community Development Block Grant and/or Human Services funds:

a. Proposed programs/projects should primarily benefit low and moderate-income residents, as defined by the U.S. Department of Housing and Urban Development.

b. 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. 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).

c. 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.

d. 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.

e. Proposals must present a strategy, which includes specific efforts to reach underserved minority groups, including racial and/or ethnic communities.

f. Proposals must demonstrate support from the people for which the program is proposed.

g. Applicants must clearly identify all funding sources and justify their proposal if services are available through another source.

h. 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 continue 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.

i. City CDBG funds shall support only those services 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.

j. Proposals shall identify geographical areas where they propose to provide services.

WHAT ARE THE CDBG ELIGIBILITY REQUIREMENTS?

An applicant for CDBG funds must be eligible under the Federal Register, Department of Housing and Urban Development, 24 Code of Federal Regulations, Part 570 – Community Development Block Grants. If you question your eligibility, you must contact Community Development (CD) Programs staff to discuss your proposal and the basic eligible activities.

DOES OUR ORGANIZATION HAVE TO SUBMIT AN AUDIT?

The City requires that each applicant submit financial reports. The financial reports are for the year ending June 30, 2026, or calendar year ending Dec. 31, 2025. If your organization has a different year-end date, you must contact CD Programs Staff.

There are three levels that determine the type of financial report required:

- AUDIT – For Organizations with revenues over $2 million
- REVIEW - Revenues of $500,000 to $1.99 million
- COMPILATION - Revenues of $499,999 or less

A financial statement & balance sheet may be submitted on a temporary basis *only if* a draft version of the above is not available and must include:

- Letter explaining why report is not available; and
- Estimated completion date

Applicants must provide information that is current as of the dates stated above. If your organization's required financial report is not finalized before the application due date, you may submit a *draft* audit. On a case by case basis, with prior CD Programs staff approval, exceptions may be granted to first time applicants who may not have had a financial audit, review or compilation previously prepared. Applicants that receive a Human Services/CDBG grant will be required to satisfy the above-stated financial reporting conditions during the grant year.

DOES OUR ORGANIZATION HAVE TO SUBMIT A TAX RETURN?

Federal Tax Return form 990 for the year ending June 30, 2026 shall be submitted with your application, or calendar year ending Dec. 31, 2025. If your 990 is not complete at the time the application is due you must submit a copy of your organization's EXTENSION Form 8868 that was submitted to the IRS. On a case-by-case basis, with prior CD Programs staff approval, exceptions may be granted to first-time applicants who may not have been required to submit a tax return during the aforementioned period. Applicants that receive a Human CDBG grant will be required to satisfy this condition during the grant year.

RECEIVING A GRANT

WHAT ARE THE CITY'S GENERAL REQUIREMENTS FOR GRANT RECIPIENTS?

Grant recipients must provide at minimum, combined single limit comprehensive general liability insurance in the amount of not less than one million dollars ($1,000,000) per occurrence per occurrence for bodily injury,

personal injury and property damage. If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or the general aggregate limit shall be twice the required occurrence limit. As required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits no less than One Million Dollars ($1,000,000) per accident for bodily injury or disease. Organizations not familiar with City insurance requirements are strongly encouraged to review the complete insurance requirement documents prior to applying. (See appendix).

Organizations that receive CDBG funds will be subject to the regulations of 24 CFR Part 570, including all non-discrimination provisions outlined in Subpart K. Organizations must also agree to abide by the City's *Non-Discriminatory Employment Provisions for All Contracts of the City* - SBMC 9.126 (see appendix).

Organizations must meet specific *Financial Management and Accounting Standards* (see appendix).

WILL WE HAVE TO SUBMIT PERFORMANCE REPORTS?

Yes. All recipients of a City of Santa Barbara CDBG grants will have to submit quarterly performance reports outlining accomplishments relative to program goals, client demographic data and verification of expenses.

HOW ARE GRANT FUNDS DISBURSED?

Human Service grant funds are disbursed on a quarterly basis. The first payment is disbursed upon execution of a grant agreement and subsequent payments are issued after the City has received and approved the performance report.

CDBG Grants are paid on a reimbursement basis upon review and approval of documented expenses.

HOW DO I APPLY FOR A GRANT?

Applications will be submitted electronically via Neighborly Software application portal. To access the application you must *first* visit the City website at https://santabarbaraca.gov/services/housing-human-services/cdbg-human-services.

The City will not accept hardcopy, faxed, or emailed applications or attachments.

CAN I SUBMIT MORE THAN ONE APPLICATION?

Yes. A separate application must be submitted for each program for which you are seeking funding. Also, you may submit multiple applications for different programs/projects.

WHAT ARE MEASURABLE OUTCOMES?

Measurable Outcomes are specific and realistic *results or changes* that your client will experience from being in your program or receiving your service.

Measurable Outcomes have four components:

1. The service that the clients will receive must be identified:

   *Ex. The program case manager will **develop a housing plan**...*

2. The number of clients that will be receiving the aforementioned service during a set period:

   *Ex. The program case manager will develop a housing plan with **50 of our clients during the grant year** ...*

3. The percent of all the clients that will *achieve* the outcome:

   *Ex. The program case manager will develop a housing plan with 50 of our clients during the grant year, **of those clients 90%** will...*

4. The expected result or change in condition that the clients will experience as a direct result of the aforementioned service during a set period:

   *Ex. The program case manager will develop a housing plan with 50 of our clients during the grant year, of those clients 90% **will obtain permanent housing upon completion of the program.***

You will also be required to explain your methods used to document and track that your outcomes were achieved, i.e. surveys used, screening tools, etc.

Examples of acceptable measurable outcomes:

- ✓ By completion of this program 60% out of 100 students receiving after-school tutoring will show improvements in their grade point average.

- ✓ Out of 260 persons graduating from our detox program, 85% will successfully engage in ongoing aftercare (defined as: enrolled in outpatient treatment, residential treatment/sober living, or attending 12-step groups) within 14 days following graduation.
- ✓ Of 97 clients receiving life skills classes, 67% will attain placement in employment or post-secondary education within 6 months of entering the program.

WHAT ARE UNACCEPTABLE MEASURABLE OUTCOMES?

Do not confuse "Outcomes" with "Outputs". An **Output**, is simply a unit of service or statement of process.

An example of an output is to "provide case management for 500 unduplicated homeless people". This is not an acceptable measurable outcome because it does not state the *result* that the client will experience from receiving case management.

Also, be aware of confusing program outcomes with program efficiency or effectiveness, i.e. increase recruitment of volunteers or improved client satisfaction results. While these are important factors for an organization to evaluate as part of its ongoing effort to improve itself, the measurable outcomes section of this application is focused solely on the client.

The following are unacceptable outcomes:

- ✘ "To provide after-school activities to 35 children."
- ✘ "To provide transportation to 50% of our senior citizen clients."
- ✘ "To provide child care to 65 unduplicated children."

These are not outcomes because, while they are stating the units of service the program will provide, they do not show the results or behavior changes or benefit that the client will experience.

Improperly completed or stated outcomes may affect your funding request. If you have questions, call OR email CD Programs staff.

ARE THERE ATTACHMENTS REQUIRED AS PART OF OUR APPLICATION?

The following attachments are required to be submitted as part of your application:

- Organization Budget
- Program Budget (if different from Org. Budget)

- Organizational Chart
- Fee Donation Schedule – If applicable
- Board of Directors Roster
- Board of Directors Meeting Minutes
- Application Approval and Declaration
- Financial Reports for FY ending June 30, 2026 or Calendar Year ending December 31, 2025
- IRS 990 tax return for Tax Year 2025
- IRS Tax-Exempt Status letter
- California Franchise Tax Board letter
- Articles Of Incorporation
- W9

Please note that if the above items are not submitted with an application, your application will be considered incomplete. Should any questions arise regarding these documents please contact CDBG staff.

HOW DO I SUBMIT REQUIRED ATTACHMENTS TO THE APPLICATION?

Attachments that require the use of a City-provided template are as follows:

- Program and Organization Budget
- Board of Director's Roster
- Application Approval and Declaration

The required templates are available through Neighborly Software in the "Documents" section. To download the required template from Neighborly Software, click on the "Download Template" link, which is located immediately below the name of the form. You will need Adobe Reader in order to fill in the templates.

You must save a copy of each template directly to your computer before filling it in. Name the file in such a manner that identifies your organization and/or program, (ex: Organization-Board-Directors-Roster.pdf). Once you have entered your information you can upload the completed attachment into Neighborly Software by clicking on the "Upload" button.

After you have successfully uploaded your file and REFRESHED your browser, you will see your file listed in the Uploaded Documents column on the Neighborly Software page.

If any documents are not available before the application due date (ex. Board Minutes), you must upload a memo explaining the delay and provide an estimated submission date.

If your audit or Form 990 Tax Return are incomplete at time of submission, see the audit and tax return Requirements section of this FAQ.

A SPECIFIC ATTACHMENT DOES NOT APPLY TO MY APPLICATION. WHAT SHOULD I DO?

Upload a memo referencing the attachment name and provide a brief explanation as to why the attachment will not be submitted. A memo submitted in lieu of the required document is subject to CD Programs staff approval. **If you are unsure if a document applies to you, contact CDBG staff for verification.**

Memorandums may not be submitted in lieu of audit/tax return requirements. If your organization's audit/tax return is not complete before the application due date, please see the Audit Requirements section of this FAQ. **Do not submit outdated prior year audits/tax returns, otherwise your application will be considered incomplete.**

WHAT TIME PERIODS DO I REPORT ON WHEN COMPLETING THE APPLICATION?

The chart below explains the time periods covered by the application. Prior Year data must be *actual*, i.e. financial data corresponds to Prior Year audited actual financials, as opposed to budgeted data. Any client data must correspond to your final report submitted to the City during the prior fiscal year (for previous grant recipients).

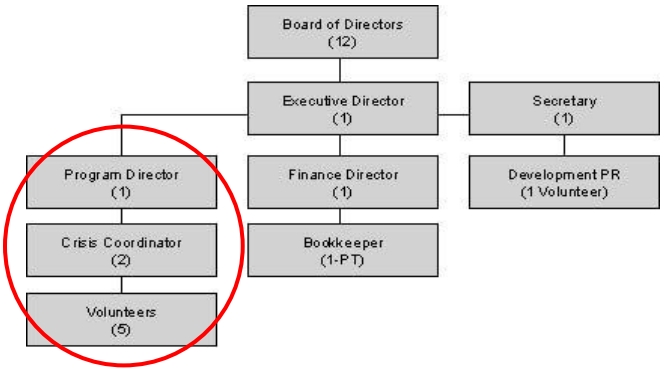
Current Year data should be what your organization projected for the current fiscal year ending June 2027 If you are a current grant recipient, your information should correspond to your grant agreement with the City.

LAST YEAR:	July 1, 2025 – June 30, 2026 or your Organization's prior Fiscal Year
THIS YEAR:	July 1, 2026 – June 30, 2027
NEXT YEAR:	July 1, 2027 – June 30, 2028

WHAT SHOULD THE ORGANIZATION CHART SHOW?

It should show all positions within your organization and circle the proposed program as it relates to the whole organization.

Insert the number of persons within each position. For example:



WHEN ARE APPLICATIONS DUE?

You may submit applications until 4:30 p.m. December 10, 2026.

The application portal will close at exactly 4:30 p.m. and no further submittals or edits will be allowed. If you have not submitted the application by then, it will not be accepted.

CAN I SUBMIT MY APPLICATION EARLY?

Applicants are highly encouraged to submit applications early. As a courtesy, CD Programs staff will make every effort to review early submittals and provide feedback.

If you submit the application too close to the deadline, CD Programs staff cannot guarantee that they will have time to provide feedback. You are still encouraged to submit your proposal early.

APPLICATION REVIEW

WHAT HAPPENS AFTER THE APPLICATION DEADLINE?

The Community Development and Human Services Committee (CDHSC), a City Council appointed committee will review the applications, interview organizations and make funding recommendations to the City Council. The City Council makes final decisions on funding.

WHAT IS THE SCHEDULE FOR REVIEW, INTERVIEWS AND APPROVAL?

CD Programs Staff Reviews Applications	Upon Submission
Applications Reviewed by CDHSC	January 2027
Applicant Interviews	Late January – early February 2027

CDHSC Final Vote on Recommendations	February 23, 2027
City Council Public Hearing on Committee Recommendations	Tuesday, March 23*, 2027

Dates marked with an asterisk * are tentative and may be adjusted based on the number of applications submitted and Council's meeting availability.

HOW IS MY APPLICATION EVALUATED?

Each applicant will be scored based on the written application. Each application will be scored on the following categories, from which a total score of 100 can be achieved:

- **Agency**: Track record/past performance, salaries too high or too low, large wage disparity between management staff and program staff;
- **Board**: Composition, role, diversity (e.g. racial, ethnic, socioeconomic, etc.), and level of involvement;
- **Program**: Bi-cultural/bi-lingual staff, quality of service, staff capacity (training/experience), program corresponds with the organization's mission, level of program monitoring, outreach strategy;
- **Measurable Outcomes**: Programs must identify realistic, measurable results or changes that a client will experience from receiving the service;
- **Need**: Duplication of service, collaboration with other organizations, client data provided, composition/diversity of clients, target population, funding request corresponds to the number of clients served; and
- **Finances**: Submittal of budget information/audit/tax return, organization revenue/expenses, percentage of funding sources secured, diversity of funding sources, overreliance on City funds, high amount of year-end excess or deficit funds, justifiable increase or decrease in request from prior year, assets and financial stability of the organization.

DEFINITIONS

TERMINOLOGY:

1. Family - All persons living in the same household who are related by birth, marriage, or adoption.

2. Household - All persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

3. Income - Entitlement grantees may select any one of the following three definitions of income:

(i) Annual income as defined at 24 CFR 5.609;

(ii) Annual income as reported under the Census long-form for the most recent available decennial Census; or

(iii) Adjusted gross income as defined for the purpose of reporting under Internal Revenue Service (IRS) Form 1040 for individual Federal annual income tax purposes.

4. Income Limits –

City of Santa Barbara
Community Development Block Grant and Human Services Programs
*** Maximum Income for Various Income Categories 2026**
Area Median Income = $133,400

		Family Size*							
		1	2	3	4	5	6	7	8
Median	100%				$133,400				
Extremely Low	0 - 30%	$ 38,300	$ 43,750	$ 49,200	$ 54,650	$ 59,050	$ 63,400	$ 67,800	$ 72,150
Low	31 - 50%	$ 63,750	$ 72,850	$ 81,950	$ 91,050	$ 98,350	$ 105,650	$ 112,950	$ 120,200
Moderate	51%-80%	$ 102,000	$ 116,600	$ 131,150	$ 145,700	$ 157,400	$ 169,050	$ 180,700	$ 192,350

(rounded to nearest $50.00)

**NOTE: Family size adjustments in each category are based on the percentages below, with family of 4 as the base*

Number of persons:	1	2	3	4	5	6	7	8
Adjustment:	70%	80%	90%	Base	108%	116%	124%	132%

For families above 8 add 8% to the adjustment, for example for a family of 9 the adjustment is 140% (132% + 8%)

5. Unduplicated Clients - Clients are defined as recipients of actual services, persons for whom you would maintain a case file. Do not include casual contacts or "facility users" for whom no direct services are provided. An individual who receives assistance is only counted once, regardless of the frequency of visits or the number of times a client accesses program services. For example, a person who receives emergency food each month is only counted as one unduplicated client.

Other Characteristics has a category available labeled, Other for clients not already listed, such as Non-English speaking, Pregnant, HIV-Positive, etc.

Prior Year Client Data must represent the actual (should match quarterly reports submitted) number of unduplicated people served. Current Year Client Data is a projection of the number of unduplicated people to be served during the current year (if you have a Human Services or CDBG contract this year you must use the

objective numbers from your contract). Proposed Year Client Data is an estimate of number of unduplicated people to be served during the proposed contract period.

6. Fees/Donations - Payments by clients for receipt of program services be they voluntary or mandatory, are considered program income. Upload a copy of your fee/donation schedule.

7. Homeless - An individual who lacks a fixed, regular, and adequate nighttime residence; as well an individual who has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations, an institution that provides a temporary residence for individuals intended to be institutionalized; or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

8. Chronically Homeless - A homeless individual with a disability who lives either in a place not meant for human habitation, a safe haven, or in an emergency shelter, or in an institutional care facility if the individual has been living in the facility for fewer than 90 days and had been living in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately before entering the institutional care facility. In order to meet the "chronically homeless" definition, the individual also must have been living as described above continuously for at least 12 months, or on at least four separate occasions in the last 3 years, where the combined occasions total a length of time of at least 12 months. Each period separating the occasions must include at least 7 nights of living in a situation other than a place not meant for human habitation, in an emergency shelter, or in a safe haven.

APPENDICES

1. City Nondiscrimination Provisions (S.B.M.C. 9.126)
2. Financial Management Requirements
3. Insurance Requirements

Got more questions?

(805) 564-5512
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S.B.M.C. 9.126

9.126.010 Certificate Generally.

Consistent with a policy of non-discrimination in employment on contracts of the City of Santa Barbara and in furtherance of the provisions of Sections 1735 and 1777.6 of the California Labor Code, a "Contractor's Obligation for Non-discriminatory Employment Certificate" as hereinafter set forth shall be attached and incorporated by reference as an indispensable and integral term of all bid specifications and contracts of the City for purchases, services, and the construction, repair, or improvement of public works. (Ord. 3500 §1(part), 2072.)

9.126.020 Contents of Certificate.

The "contractor's obligation for non-discriminatory employment" is as follows:

In performing the work of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. The Contractor will take positive action or ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, ancestry, sexual orientation, political affiliation or beliefs, sex, age, physical handicap, medical condition, marital status or pregnancy (as those terms are defined by the California Fair Employment and Housing Act -- Government Code Section 12900-12996), except where such discrimination is based on a bona fide occupational qualification.

(3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the City advising the said labor union or worker's representative of the Contractor's commitments under this provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will permit access to his records of employment, employment advertisements, application forms, and other pertinent data and records by the City, the Fair Employment Practices Commission, or any other appropriate agency of the State designated by the City for the purposes of investigation to ascertain compliance with the Contractor's obligation for non-discriminatory employment provisions of this contract, or Fair Employment Practices statute.

(5) A finding of willful violation of the non-discriminatory employment practices article of this contract or of the Fair Employment Practices Act shall be regarded by the City as a basis for determining that as to future contracts for which the Contractor may submit bids, the Contractor is a "disqualified bidder" for being "non-responsible".

The City shall deem a finding of willful violation of the Fair Employment Practices Act to have occurred upon receipt of written notice from the Fair Employment Practices Commission that it has investigated and determined that the Contractor has violated the Fair Employment Practices Act and has issued an order under Labor Code Section 1426 or obtained an injunction under Labor Code Section 1429.

Upon receipt of any such written notice, the City shall notify the Contractor that unless he demonstrates to the satisfaction of the City within a stated period that the violation has been corrected, he shall be declared a "disqualified bidder" until such time as the Contractor can demonstrate that he has implemented remedial measures, satisfactory to the City, to eliminate the discriminatory employment practices which constituted the violation found by the Fair Employment Practices Commission.

(6) Upon receipt from any person of a complaint of alleged discrimination under any City contract, the City Administrator shall ascertain whether probable cause for such complaint exists. If probable cause for the complaint is found, the Administrator shall request the City Council to hold a public hearing to determine the existence of a discriminatory practice in violation of this contract.

In addition to any other remedy or action provided by law or the terms of this contract, the Contractor agrees, that should the City Council determine after a public hearing duly noticed to the Contractor that the Contractor has not complied with the non-discriminatory employment practices provisions of this contract or has willfully violated such provisions, the City may, without liability of any kind, terminate, cancel or suspend this contract, in whole or in part. In addition, upon such determination the Contractor shall, as a penalty to the City, forfeit a penalty of $25.00 for each calendar day, or portion thereof, for each person who was denied employment as a result of such non-compliance. Such moneys shall be recovered from the Contractor. The City may deduct any such penalties from any moneys due the Contractor from the City.

(7) The Contractor certifies to the City that he has met or will meet the following standards for positive compliance, which shall be evaluated in each case by the City:

(a) The Contractor shall notify all supervisors, foremen and other personnel officers in writing of the content of the non-discrimination provision and their responsibilities under it.

(b) The Contractor shall notify all sources of employee referrals, (including unions, employment agencies, advertisements, Department of Employment) of the content of the non-discrimination provision.

(c) The Contractor shall file a basic compliance report as required by the City. Willful false statements made in such reports shall be punishable as provided by law. The compliance report shall also specify the sources of the work force and who has the responsibility for determining whom to hire, or whether or not to hire.

(d) The Contractor shall notify the City of opposition to the non-discrimination provision by individuals, firms or organizations during the period of this contract.

(8) Nothing contained in this Contractor's Obligation for Non-discriminatory Employment Certificate shall be construed in any manner to prevent the City from pursuing any other remedies that may be available at law.

(9) (a) In the performance of the work under this contract, the Contractor will include the provisions of the foregoing paragraphs (1) through (8) in all subcontracts and in any supply contract to be performed within the State of California, so that such provisions will be equally binding upon each subcontractor and each supplier.

(b) The Contractor will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction by the City, the Contractor may request the City to enter into such litigation to protect the interests of the City. (Ord. 4465, 2087; Ord. 3500 §1(part), 2072.

FINANCIAL MANAGEMENT REQUIREMENTS

Recipients of CDBG/HS grant funds will be required to comply with the financial management requirements below.

A. ACCOUNTING	Initials
1. Agency will maintain written accounting procedures.	
2. A clear audit trail will be maintained for each Quarterly Report.	

3. Print name and affix signature of responsible party to receive and deposit City checks:

Name: Signature:

4. Two signatures are required on Human Service funds expense checks. Print names and affix signatures of those responsible for signing checks (attach additional sheet if necessary):

Name: Click here to enter text. Signature:

Name: Click here to enter text. Signature:

5. Print name and affix signature of who will be responsible for the preparation of the fiscal reports and Human Service funds claims:

Name: Signature:

6. If bookkeeping is handled by an outside firm, give name and address:

Firm name: Click here to enter text. Address: Click here to enter text.

7. In what bank are you depositing your Human Services funds?

Bank Account Name:

Account Number:

Branch Address:

8. Name of responsible person to review cash reconciliations? Name: Click here to enter text.

9. Financial status reports are submitted to Agency Board of Directors: Check 1 box

Monthly ☐ Quarterly ☐ Bi-Annually ☐ Annually ☐ Other ☐ (specify):

B. CASH RECORDS	Initials
1. Checks will be pre-printed and pre-numbered.	
2. Voided checks will be accounted for and kept on record.	
3. Grant claims will be backed by invoices and marked to avoid resubmission.	

C. PAYROLL	Initials
1. Agency will keep timesheets.	
2. Employee and supervisor will sign timesheets.	
3. Timesheets will correspond with payroll periods.	
4. Timesheets will indicate daily time worked.	
5. Payrolls will be approved by an authorized person.	
6. Payroll register or earnings record will be kept.	
7. Cumulative Records will be kept.	
8. Employee files will be kept containing: ➢ W-4 form ➢ Authorized Deductions ➢ Work History ➢ Employment Application	
9. Copies of federal depository receipts and quarterly reports must be kept. State how often deposit withholdings are deposited in a federal depository: Check 1 box Monthly ☐ Quarterly ☐ Bi-Annually ☐ Annually ☐ Other ☐ (specify):	

D. AUDIT	**Initial *applicable* row**
Agency will obtain annual financial audit (revenues over $2 million)	
Agency will obtain annual financial review (revenues between $500,000 and $1.99 mil.)	
Agency will obtain annual financial compilation (for revenues $499,999 or less)	

Auditor Name: Click here to enter text. Auditor Address: Click here to enter text.

Phone: Click here to enter text. Email: Click here to enter text.

E. MISC.

Agency IRS No.: Agency State I.D.:

Agency DUNS No.: Click here to enter text.

I hereby certify that Agency will comply with the requirements of Exhibit D identified above in accordance with Section 5 of this Agreement.

Signature Title

Insurance Requirements

As part of the consideration of this Agreement, Grantee shall procure and maintain for the duration of the agreement, and for five years thereafter, insurance coverage against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Grantee, its agents, representatives, employees, or subcontractors.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

A. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than One Million Dollars ($1,000,000) per occurrence. If a general aggregate limit applies, either the aggregate limit shall apply separately to this project or location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

B. **Workers' Compensation:** As required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits no less than One Million Dollars ($1,000,000) per accident for bodily injury or disease.

If the Grantee maintains higher coverage limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Grantee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City. The City may require the Grantee to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City. Any and all deductibles and SIRs shall be the sole responsibility of Grantee or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. The City may deduct from any amounts otherwise due Grantee to fund the

SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City reserves the right to obtain a copy of any policies and endorsements for verification.

OTHER INSURANCE PROVISIONS

Each insurance policy shall contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Santa Barbara, its officers, officials, employees, volunteers, and agents, shall be covered as additional insureds on the Commercial General Liability policy with respect to liability arising out of work or operations performed by or on behalf of the Grantee including materials, parts, or equipment furnished in connection with such work or operations. Additional Insured coverage shall be provided in the form of an endorsement to the Grantee's insurance (at least as broad as Insurance Services Office Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later edition is used). A copy of the endorsement evidencing that the City of Santa Barbara has been added as an additional insured on the policy, must be attached to the certificate of insurance.

Primary Coverage

For any claims related to this contract, the Grantee's insurance coverage shall be primary and non-contributory at least as broad as Insurance Services Office Form CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Grantee's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be cancelled or subject to reduction without written notice provided to the City Clerk, addressed to P.O. Box 1990, Santa Barbara, California 93102-1990.

Waiver of Subrogation

Grantee hereby grants to the City a waiver of any right to subrogation which any insurer of Grantee may acquire against the City by virtue of the payment of any loss under such insurance. Grantee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Grantee, its employees, agents, and subcontractors.

Umbrella or Excess Policy

The Grantee may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Grantee's primary and excess liability policies are exhausted.

Claims Made Policies – If any coverage required is written on a claims-made coverage form:

1. The retroactive date must be shown and must be before the execution date of the contract or the beginning of contract work.
2. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of contract work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the Grantee must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the City for review.

Acceptability of Insurers

All insurance coverage shall be placed with insurers authorized to conduct business in the State of California with a current AM Best's rating of no less than A: VII. All other insurers require prior approval of the City.

Verification of Coverage

Grantee shall furnish the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Grantee's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Grantee shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Grantee shall ensure that the City is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Coverage Limits Specifications

Approval of the insurance by City or acceptance of the certificate of insurance by City shall not relieve or decrease the extent to which the Grantee may be held responsible for payment of damages resulting from Grantee's services or operation pursuant to this Agreement, nor shall it be deemed a waiver of City's rights to insurance coverage hereunder.

If, for any reason, Grantee fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. City, at its sole option, may terminate this Agreement and obtain damages from the Grantee resulting from said breach. Alternately, City may purchase such required insurance

coverage, and without further notice to Grantee, City may deduct from sums due to Grantee any premium costs advanced by City for such insurance.