



Community Development Grants Administration

Community-Based Development
Organization

Policy Manual

Purpose

The Community Development Grants Administration (CDGA) has requested your organization be certified as a Community-Based Development Organization (CBDO).

This manual touches on the CBDO criteria and contains guidance material to complete your certification application.

Should you require additional information or clarity, please direct your questions to your Program Officer.

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Introduction

Funded by the U.S. Department of Housing & Urban Development (HUD), the City of Milwaukee's Community Development Block Grant (CDBG) Program, provides formula based, annual grants to states, cities, and counties. These grants aim to develop viable urban communities by providing decent housing, creating a suitable living environment, and expanding economic opportunities, primarily for low- and moderate-income persons. As with any federally funded activity, the grantee must meet and maintain specific criteria.

The Community Development Grants Administration Office encourages you to read this manual in its entirety. Several points are essential to understanding our process and requirements.

What is a CBDO?

A Community Based Development Organization (CBDO) is generally nonprofit organizations that undertake specific kinds of CDBG-funded activities. The U.S. Department of Housing and Urban Development (HUD) has identified areas within the City of Milwaukee known as Neighborhood Revitalization Strategic Areas (NRSA). A CBDO must provide Public Services specific to the NRSA areas.

NRSA areas are defined as geographical areas that comprises a neighborhood that is primarily residential and contains a percentage of low- and moderate-income residents that is equal to the community's "upper quartile percentage". Please review the City of Milwaukee NRSA Maps on pages 7 and 8.

These could include carrying out neighborhood revitalization, community economic development or energy conservation projects. However, not all organizations that provide public services can be considered CBDO certified as there are specific requirements to be met. Please refer to the requirement section of this Manual for more details.

Why be Certified as a CBDO?

Under Federal Regulation 24 CFR 570.201(e), the total amount of CDBG funds obligated for public services activities must **not exceed 15 percent** of the City's annual grant allocation plus 15 percent of program income received during the prior year.

HUD will only make an exception to this regulation as long as the activity undertaken by the organization meets the CBDO certification. Your public service activities are vital to the City of Milwaukee. An organization with CBDO certification, provides the City with more flexibility in utilizing federal funds to better support these activities in the most underserved areas of our community. Without this certification, the City would be limited in addressing community development needs.

Application Process

In order to be CBDO certified, you must complete and submit the CBDO Certification Application in its entirety, by the CDGA deadline (contact your Program Officer for this date). Failure to submit the application per the deadline can delay the timing of your contract.

1. Submit required CBDO documents
 - CBDO Affidavit of Compliance
 - CBDO Board of Directors Roster
 - Board Member Profiles
 - Organization's Charters and By-Laws (*only new applicants*)
2. CDGA reviews the application.
3. If applicable, CDGA will communicate with your organization should any adjustments be required.
4. Upon organization meeting the certification requirements, CDGA will send notification of CBDO approval.

How often to submit?

HUD requires the City of Milwaukee CDGA Office to keep record of the required CBDO certification documentation per annual award.

CDGA must have a copy of the certification-seeking organization's most updated Charters and Bylaws. New applicants must submit a copy. If you have already submitted a set with the RFP application or one is already on file, you do not need to resubmit.

NOTE: If you are unsure CDGA has a copy, either submit with this application or contact your Program Officer. Additionally, CDGA must be notified and provided a copy of any updates.

How to Qualify for CBDO

See CBDO Affidavit of Compliance for qualifications criteria.

Eligible Activities

CDBG supports a wide range of public services which include but are not limited to;

- Employment services (e.g., job training);
- Crime prevention and public safety;
- Child care;
- Health services;
- Substance abuse services (e.g., counseling and treatment);
- Fair housing counseling;
- Education programs;
- Energy conservation;
- Services for senior citizens;
- Services for homeless persons;
- Welfare services (excluding income payments);
- Down payment assistance (also refer to Chapter 4);
- and Recreational services.

CDBG funds may be used to pay for labor, supplies, and material as well as to operate and/or maintain the portion of a facility in which the public service is located. This includes the lease of a facility, equipment, and other property needed for the public service.

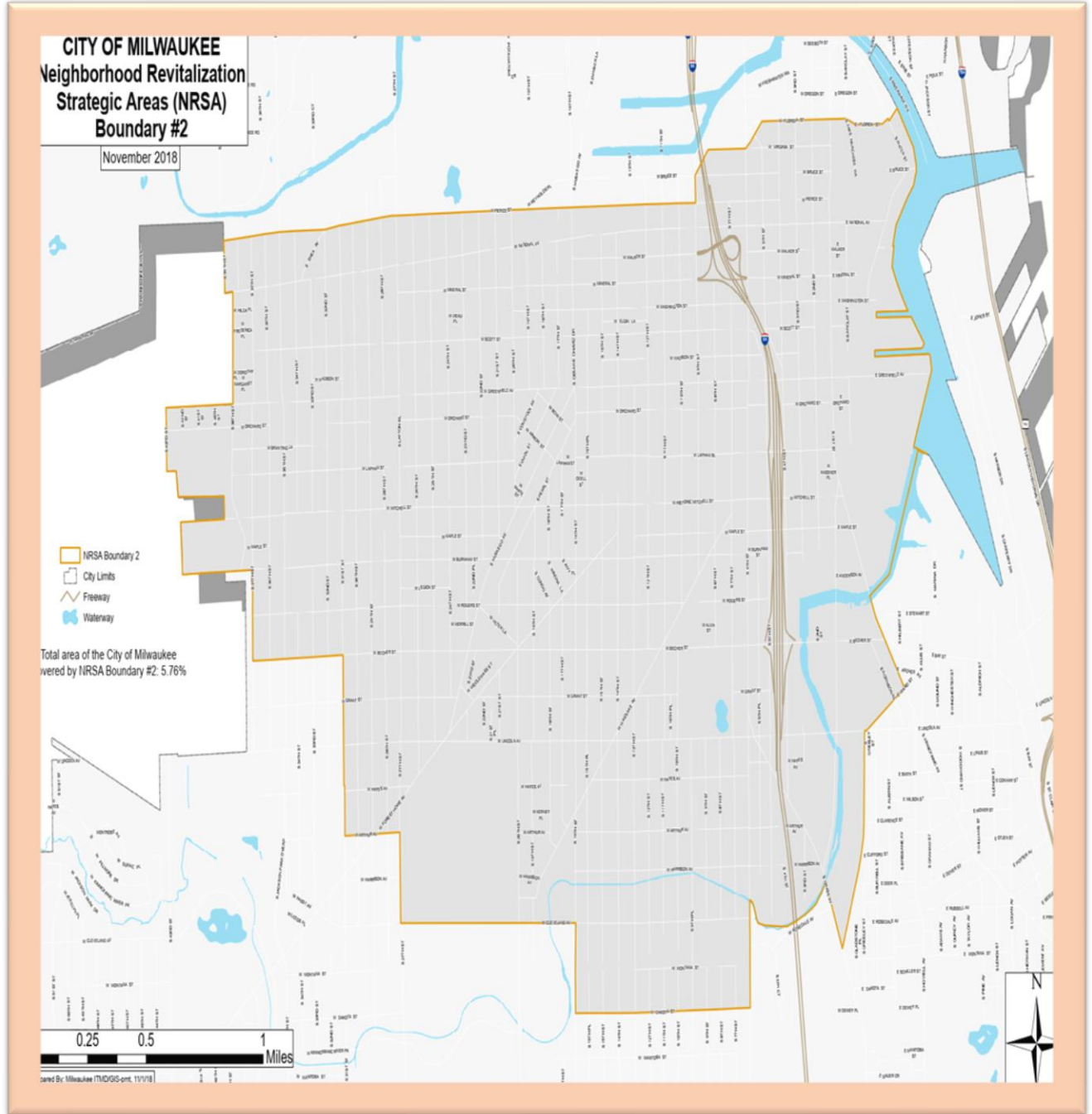
To utilize CDBG funds for a public service, the service must be either:

1. A new service; or
2. A quantifiable increase in the level of an existing service which has been provided by the grantee or another entity on its behalf through State or local government funds in the 12 months preceding the submission of the grantee's Consolidated Plan Annual Action Plan to HUD. *

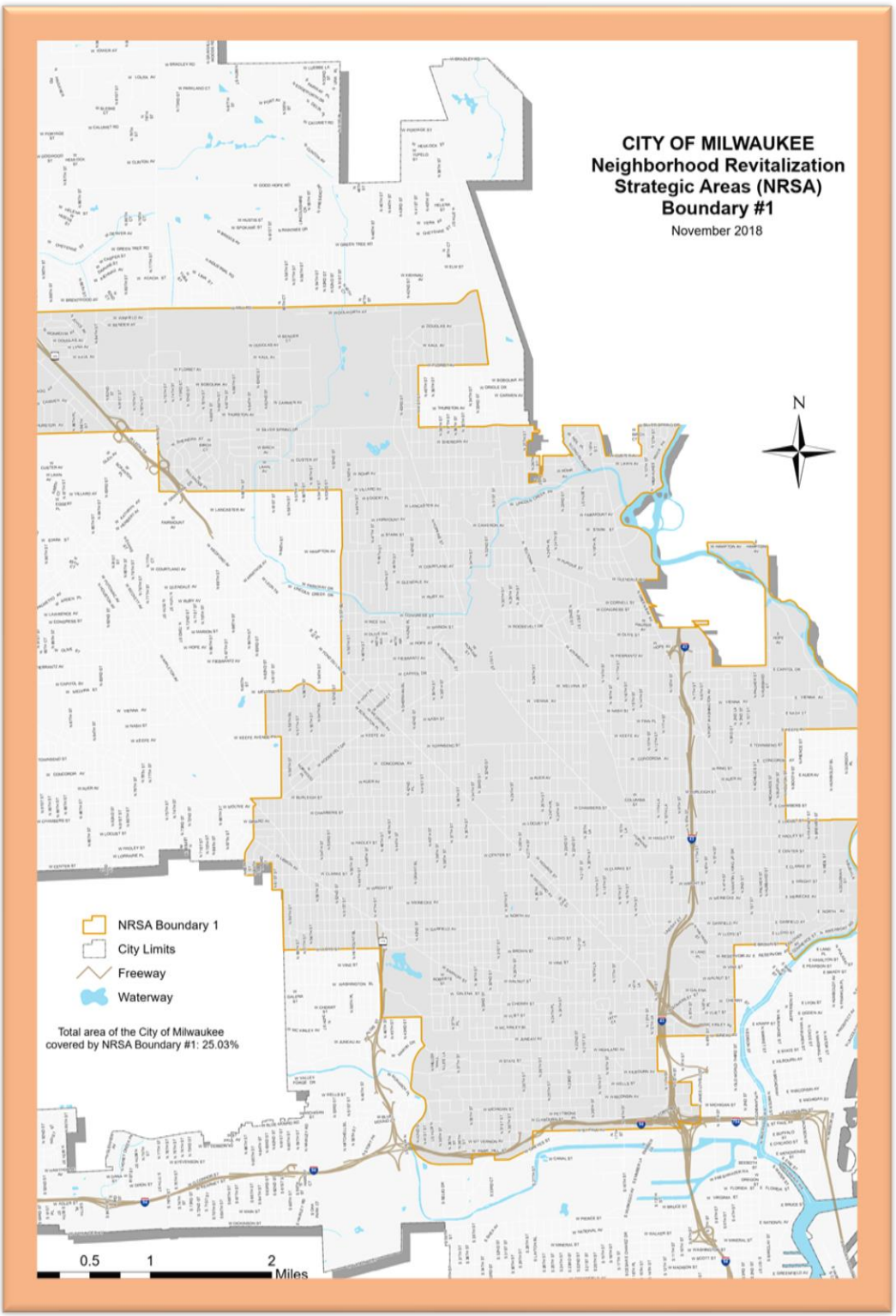
**HUD has some exceptions.*

Neighborhood Revitalization Strategic Area Maps

NRSA #1



NRSA #2



Board of Directors Roster

ORGANIZATION NAME:

Instructions: List all members of the Board of Directors. Check all boxes that apply to the individual Board Member. The address listed must coincide with the resident, organization or business that the Board Member lists on their chosen form. Include the appropriate Forms with your CBDO application. If additional lines are needed, make a copy of this form and attach.

#	BOARD MEMBER NAME	BOARD MEMBER ADDRESS (Address, City, State Zip Code)	POSITION ON BOARD	LOW-MODERATE INCOME RESIDENT FORM A	OWNER / SENIOR OFFICER REPRESENTATIVE FORM B	LOW-MODERATE INCOME RESIDENT FORM C	DOES NOT QUALIFY FOR CERTIFICATION	EXPIRATION DATE OF TERM
1				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
11				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
14				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
15				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
16				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
17				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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27				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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31				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
32				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
33				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
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COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) AFFIDAVIT OF COMPLIANCE

Organization Name:

As defined by HUD, a qualified Community-Based Development Organization (CBDO) is an organization which meets the criteria in at least one of the three sections listed below. Complete one of the applicable sections below.

An organization that does not qualify under Section I or Section II may also be determined to qualify as an eligible entity under Section III.

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COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) AFFIDAVIT OF COMPLIANCE

SECTION I

Qualifications:

- Must meet all eight components; and
- Must submit a Board Member Profile Form for each member; and
- 51% of the Board must meet one of the three criteria of the Board Member Profile.

Instructions:

1. **Check all components that apply**
2. **Submit a CBDO Board of Directors Roster**
3. **Each Board Member is to complete and sign a Board Member Profile.**
4. **Submit signed Affidavit**

Is an association or corporation organized under State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation within the jurisdiction of the recipient, or in the case of an urban county, the jurisdiction of the country; and

Has its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of persons of low and moderate income; and

May be either non-profit or for-profit, provided any monetary profits to its shareholders or members must be only incidental to its operations; and

Maintains at least 51 percent of its governing body's membership for low-and moderate-income residents of its geographic area of operation, owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or representatives of low-and moderate-income neighborhood organizations located in its geographic area of operation; and

Is not an agency or instrumentality of the recipient and does not permit more than one third of the membership of its governing body to be appointed by, or to consist of: Elected or other public officials or employees or officials of an ineligible entity (even though such persons may be otherwise qualified under paragraph (v) of this section); and

Except as otherwise authorized in paragraph (v) of this section, requires the members of its governing body to be nominated and approved by the membership of the organization, or its permanent body; and

Is not subject to requirements under which its assets revert to the recipient upon dissolution; and

Is free to contract for goods and services from vendors of its own choosing.



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) AFFIDAVIT OF COMPLIANCE

SECTION II

Qualifications: If you do not meet the criteria in Section I, review Section II to determine if it is applicable to your organization.

Instructions:

1. Check all components that apply
2. Submit signed Affidavit

- 1. Is an entity organized pursuant to Section 301 (d) of the Small Business Investment Act of 1958 (15 U.S.C. 681 (d)), including those which are profit making, or
- 2. Is an SBA approved Section 501 State Development Company or Section 502 Local Development Company, or an SBA Certified Section 503 Company under the Small Business Investment Act of 1958, as amended; or
- 3. Is a Community Housing Development Organization (CHDO) under 24 CFR 92.2, designated as a CHDO by the HOME Investment Partnerships program participating jurisdiction, with a geographic area of operation of no more than one neighborhood, and has HOME funds under CFR 92.300 or is expected to receive HOME funds as described in and documented in accordance with 24CFR 92.300(e).



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) AFFIDAVIT OF COMPLIANCE

SECTION III

Qualifications: In order to qualify, the recipient demonstrates, to the satisfaction of HUD, through the provision of information regarding the organization's charter and by-laws, that the organization is sufficiently similar in purpose, function, and scope to those organizations qualifying under Section I or Section II.

Instructions:

1. Briefly summarize how your organization is sufficiently similar in purpose, function, and scope to those organizations qualifying under Section I or Section II.
2. Include most recent Charter and By-laws.
3. Submit signed Affidavit.



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) AFFIDAVIT OF COMPLIANCE

SIGNATURES

Check the Section(s) that your organization has indicated above as a qualification to be CBDO certified. This document must be signed and dated by the Board of Directors' President and the organization's Executive Leader.

By selecting the areas and signing this Affidavit of Compliance, you attest that to the best of your knowledge, the information in and included with this document are true.

I certify that _____ (name of organization), qualifies as a HUD-defined Community Based Development Organization according to (please check appropriate section):

- SECTION I
- SECTION II (Check the option(s) chosen under Section II) 1. 2. 3.
- SECTION III

Print Board of Directors' President Name:

X

Signature

Print Organization Executive Leader:

X

Signature



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) MEMBER PROFILE FORM A, LOW-MODERATE INCOME

In order to be certified as a Community-Based Development Organization (CBDO), organizations must demonstrate an ability to meet at least the 51% threshold required of its Governing Body membership. In order to reach the threshold, members must meet one of the following criteria: 1) Residency and Income, 2) Owner or Senior Officer, or 3) Low Income Neighborhood Organization Representative.

This form, Form A, is to be completed only if member meets criteria 1) Residency and Income.

Qualifications: A Governing Body Member whose home residence is within the geographic service area of the agency, inside the City of Milwaukee limits, **and** who meets the income requirements of being Extremely Low Income, Very Low Income, or Low Income based on the chart below.

Note - If your family income falls in the Non-Low Moderate-Income Level, you **DO NOT meet the household income limits to be certified under Criteria 1.*

To complete this form: 1. Enter your residential address in the area below and 2. Select one option below that best describes which Income Level applies to the member's total Household Income.

I am a resident, residing at _____, an area which is satisfactory of the service area of the Organization seeking the CBDO status. My household income (adjusted for family size) has been circled in the chart below.

Household Income

Number in Household	Extremely Low ¹ Income Level	Very Low ² Income Level	Low ³ Income Level	Non-Low Moderate Income Level
1	< \$23250	\$23251-38750	\$38751-62000	Over \$62000
2	< \$26600	\$26601-44300	\$44301-70850	Over \$70850
3	< \$29900	\$29901-49850	\$49851-79700	Over \$79700
4	< \$33200	\$33201-55350	\$55351-88550	Over \$88550
5	< \$35900	\$35901-59800	\$59801-95650	Over \$95650
6	< \$38550	\$38551-64250	\$64251-102750	Over \$102750
7	< \$41200	\$41201-68650	\$68651-109850	Over \$109850
8	< \$43850	\$43851-73100	\$73101-116900	Over \$116900

¹ Extremely Low Income Level. As defined by HUD, this income level is at or less than 30% of County Median income.

² Very Low Income Level. As defined by HUD, this income level is between 31% and 50% of County Median income

³ Low Income Level. As defined by HUD, this income level is between 51% and 80% of County Median income



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) MEMBER PROFILE FORM A, LOW-MODERATE INCOME

Organization Name seeking CBDO status:

Geographic Area *(See the CBDO Policy Manual to determine your NRSA area):*

Governing Body Member's Name:

Governing Body Member's Email Address:

I certify that the information provided on this form, Form A, Low-Moderate Income, is complete to the best of my knowledge. I further acknowledge that income levels as indicated in this form may be further reviewed by the U.S. Department of Housing and Urban Development (HUD) and/or the City of Milwaukee.

Governing Body Member's Signature:

Date:



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) MEMBER PROFILE FORM B, OWNER OR SENIOR OFFICER

In order to be certified as a Community-Based Development Organization (CBDO), organizations must demonstrate an ability to meet at least the 51% threshold required of its Governing Body membership. In order to reach the threshold, members must meet one of the following criteria: 1) Residency and Income, 2) Owner or Senior Officer, or 3) Low Income Neighborhood Organization Representative.

This form, Form B, is to be completed only if member meets criteria 2) Owner or Senior Officer.

Qualifications: A governing body member who owns a business or works for a business that is located within the geographic service area of the agency, inside the City of Milwaukee limits, **and** whose business or employer seeks to serve the population served by the agency. The business cannot be the same as the organization seeking CBDO certification. **Note - A Senior Officer is an employee at management level or higher. (Ex. Owner, Vice President, Director, etc.)**

Organization Name seeking CBDO status:

Geographic Area (See the CBDO Policy Manual to determine your NRSA area):

Business Name:

Governing Body Member's Position at Business:

Governing Body Member's Name:

Governing Body Member's Email Address:



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) MEMBER PROFILE FORM B, OWNER OR SENIOR OFFICER

Please describe the goods and/or services your business provides to the geographic area being served; current and/or within the last 3 years:

I certify that the information provided on this form, Form B, Owner or Senior Officer, is completed and accurate to the best of my knowledge. I further acknowledge that the information provided in this form may be further reviewed by the U.S. Department of Housing and Urban Development (HUD) and/or the City of Milwaukee.

Governing Body Member's Signature:

Date:



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) MEMBER PROFILE FORM C, LOW INCOME NEIGHBORHOOD ORGANIZATION REPRESENTATIVE

In order to be certified as a Community-Based Development Organization (CBDO), organizations must demonstrate an ability to meet at least the 51% threshold required of its Governing Body membership. In order to reach the threshold, members must meet one of the following criteria: 1) Residency and Income, 2) Owner or Senior Officer, or 3) Low Income Neighborhood Organization Representative.

This form, Form C, is to be completed only if member meets criteria 3) Low Income Neighborhood Organization Representative.

Qualifications: A governing body member who is an employee or currently serves on the board of a nonprofit, charitable organization, or low-income serving organization, **other than the one attempting to be certified**, that seeks to serve the population served by the organization.

Organization Seeking CBDO status:

Geographic Area (See the CBDO Policy Manual to determine your NRSA area):

Your Name:

Select the option that describes the other agency you represent:

- Employee or,
- You currently serve on the board of a nonprofit, charitable organization or low-income serving organization

Your Position at that Agency:

List the Name and Mailing Address of the Agency:



COMMUNITY DEVELOPMENT GRANTS ADMINISTRATION

COMMUNITY-BASED DEVELOPMENT ORGANIZATION (CBDO) MEMBER PROFILE FORM C, LOW INCOME NEIGHBORHOOD ORGANIZATION REPRESENTATIVE

**Description of the goods and/or services provided by the neighborhood organization;
current and/or within the last 3 years:**

I certify that the information provided on this form, Form C, Low Income Neighborhood Organization Representative, is completed and accurate to the best of my knowledge. I further acknowledge that the information provided in this form may be further reviewed by the U.S. Department of Housing and Urban Development (HUD) and/or the City of Milwaukee.

Governing Body Member's Signature:

Date:

Glossary of Terms

CBDO – Community-Based Development Organization: What we require your organization to be certified as.

CDGA – Community Development Grants Administration: The City of Milwaukee’s Department of Administration sector for soliciting, awarding and grant management.

CDBG – Community Development Block Grants: HUD specific grant

HUD – United States Department of Housing and Urban Development: federal entity that funds our City to be able to provide financial support to your organization.

Organization – Entity awarded CDBG funding through the City of Milwaukee-CDGA.

NRSA - Neighborhood Revitalization Strategic Area: Defined by HUD. The City of Milwaukee has 2 such areas which are defined every 5 years.

Narrative – A brief synopsis of how the entity you represent supports the NRSA area that the CBDO-seeking certification serves.