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**CITY OF ELGIN  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
SUPPLEMENTAL GUIDELINES  
FOR HOMELESS AND SUPPORTIVE SERVICES ACTIVITIES**

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**I. PURPOSE**

The purpose of this document is to supplement the **General Guidelines** established for the City of Elgin’s Community Development Block Grant (CDBG) program. Many key requirements of the program are outlined in the General Guidelines, including applicant eligibility, national objective standards, and purchasing, recordkeeping and audit standards. Also detailed in the General Guidelines are important requirements regarding the collection of clients (or beneficiary) income and demographic information. Strict compliance with these (and other) requirements is critical.

These **Supplemental Guidelines** outline additional rules and requirements that apply to activities involving the provision of human services to low- and moderate-income residents. Applicants seeking funding for Homeless and Supportive Services Activities should familiarize themselves with both the General Guidelines as well as these Supplemental Guidelines.

**II. ELIGIBLE/INELIGIBLE USE OF HOMELESS AND SUPPORTIVE SERVICE FUNDS**

CDBG funds may be used to support a wide range of public service activities, including, but not limited to:

- Services for homeless persons
- Child care services
- Health services
- Substance abuse services
- Fair housing counseling
- Education programs
- Employment services
- Services for senior citizens (62 & over)

Funds may be used to pay for labor, supplies, and material as well as to operate the portion of a facility in which the public service is located. This includes the lease of a facility needed for the public service.

**III. LEVEL OF SERVICE**

For an organization to receive funds under the Homeless and Supportive Services category, 24 CFR 570.201(e) states that the proposed activity must be either:

- A new service; or
- 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 preceding 12 months.

#### **IV. UNDERWRITING**

Projects determined to be eligible for assistance will be analyzed to ensure they have complete, reasonable, and balanced budgets, and meet applicable CDBG requirements. Before committing funds to a project that combines the use of other local, state, or federal assistance, the City will evaluate the project to ensure that no more funds than necessary and permitted by HUD are invested in a project. The City has established underwriting procedures in accordance with guidelines set forth by HUD. The underwriting process will include:

1. An examination of the sources and uses of funds for the proposed project;
2. A review of the activity budget to confirm it is complete and project costs are reasonable.
3. An assessment of the experience and the financial capacity of the project sponsor;
4. An assessment of the written financial commitments for the project. Applicants should understand that submission of an application for CDBG funds constitutes a certification to the City that all funding sources committed to the project or being sought by the applicant for the project have been accurately and completely disclosed within the application submitted.