



Jessica Herrera
Housing Manager

Jessica Garcia
Administrative Assistant

AGENDA

Community Development Block Grant Program Committee April 30, 2026

Notice and Call of a Special Meeting

6:00 PM Regular Session

Weimer Room
300 E. Chapman Avenue
Orange, CA 92866

CONNIE BENSON
Chair

JONATHAN ST. CLAIR
Vice Chair

KIM LE
Committee Member

ELAINE MUSELLI
Committee Member

CHRISSEY VAUGHN
Committee Member

PAT BUTTRESS
Committee Member

PERLA LOZANO
Committee Member

The City of Orange CDBG Committee welcome you to this Special Meeting. Special Meetings are held for a specific purpose and when action is needed prior to the next Regular Meeting. The Chair or a majority of the Committee may call a special meeting of the CDBG Committee with a minimum 24 hours notice.

Agenda Information

The agenda contains a brief general description of each item to be considered. The agenda and supporting documentation for a special meeting is available no later than 24 hours prior to the Committee meeting on the City's website at www.cityoforange.org, at the City Clerk's Office located at 300 E. Chapman Avenue, and at the Main Public Library located at 407 E. Chapman Avenue.

Public Participation

Public Comment shall be limited to only those items described on this Special Meeting Notice/Agenda (Government Code Section 54954.3(a)).

Public Comments are limited to three (3) minutes per speaker unless a different time limit is announced. It is requested that you state your name for the record, then proceed to address the CDBG Committee. All speakers shall observe civility, decorum, and good behavior.

ADA Requirements: In compliance with the Americans with Disabilities Act, if you need accommodations to participate in this meeting, contact the Community Development Department at (714) 744-7220. When possible, notification at least 48 hours in advance of meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

NOTICE IS HEREBY GIVEN, pursuant to Section 54956 of the California Government Code, that a Special Meeting of the CDBG Committee is hereby called for the following purpose:

1. OPENING/CALL TO ORDER

1.1 PLEDGE OF ALLEGIANCE

Committee Member Pat Buttress

1.2 ROLL CALL

2. NEW BUSINESS

2.1. Review of Policies and Procedures for the Business Assistance Façade Program.

Recommended Action:

1. Approve the draft Policies and Procedures.
2. Recommend the draft Policies and Procedures to City Council for adoption.

Attachments:

[Staff Report](#)

[Attachment A - Staff Report for 2025-2026 Annual Action Plan](#)

[Attachment B - Staff Report for Substantial Amendment to 2025-2026 Annual Action Plan](#)

[Attachment C - SLICE Draft Policies and Procedures](#)

3. ADJOURNMENT

The next Regular CDBG Program Committee meeting will be held on February 11, 2027, at 6:00 p.m. in the Weimer Room located at 300 E. Chapman Avenue, Orange, CA 92866.

I, Jessica Garcia, Administrative Assistant for the City of Orange, hereby declare, under penalty of perjury, that a full and correct copy of this agenda was posted pursuant to Government Code Section 54950 et. seq., at the following locations: Orange Civic Center kiosk and Orange City Clerk's Office at 300 E. Chapman Avenue, Orange Main Public Library at 407 E. Chapman Avenue, El Modena Branch Library at 380 S. Hewes Street, Taft Branch Library at 740 E. Taft Avenue, Police facility at 1107 N. Batavia, and uploaded to the City's website www.cityoforange.org.

Date posted: April 23, 2026



Agenda Item

Community Development Block Grant Program Committee

Item #: 2.1.

4/30/2026

File #: 26-0223

TO: Community Development Block Grant Program Committee

THRU: Russell Bunim, Community Development Director

FROM: Jessica Herrera, Housing Manager

1. SUBJECT

Review of Policies and Procedures for the Business Assistance Façade Program.

2. SUMMARY

Consideration of draft Policies and Procedures for the Business Assistance Façade Program funded through the Community Development Block Grant.

3. RECOMMENDED ACTION

1. Approve the draft Policies and Procedures.
2. Recommend the draft Policies and Procedures to City Council for adoption.

4. DISCUSSION AND BACKGROUND

Background

On June 24, 2025, the City approved the implementation of a Business Assistance Program through the adoption of the FY2025-2026 Annual Action Plan (AAP), with initial funding of \$70,741 of Community Development Block Grant Funds (CDBG), (Attachment A). The Annual Action Plan provides a comprehensive summary of the strategies, activities, and federal and non-federal resources allocated each year to address the specific needs and objectives identified in the Consolidated Plan (Con Plan). The Con Plan is a five-year plan completed by the City that establishes the housing and community development priorities, ensuring alignment with the objectives of the CDBG and HOME Investment Partnerships (HOME) programs. The Con Plan serves as a strategic framework that enables the City to assess affordable housing and community development needs, evaluate market conditions, and make informed decisions based on data analysis. The 2025-2026 AAP is the first year of the 2025-2029 Con Plan.

Community Development Façade Program

On December 9, 2025, the City approved a Substantial Amendment to the 2025-2026 AAP that proposed establishing a Community Development Façade Program (Façade Program) activity to provide financial assistance to improve building exteriors visible from the public right-of-way in order to enhance neighborhood aesthetics and support local economic development. The approved initial funding for the Façade Program was \$150,000 (Attachment B).

Discussion

Staff proposes to establish the Supporting Local Investment in Commercial Exteriors (SLICE) Program. The acronym "SLICE" was intentionally selected to reflect the program's purpose of

supporting targeted improvements to commercial properties while creating a recognizable, place-based identity that aligns with the City of Orange. Establishing a clear and memorable program name is intended to support outreach, increase visibility, and encourage participation among local businesses.

Funding Limits

Funding levels and limits have been established to ensure equitable distribution of funds while maximizing the number of businesses served. The SLICE Program is designed to provide façade improvement grants of up to \$50,000 per business to eligible for-profit businesses located within low- and moderate-income (LMI) areas. Eligible improvements include exterior rehabilitation, accessibility upgrades, and other visible enhancements that contribute to improved building appearance and public benefit.

The program also includes provisions to allow participation by multi-tenant commercial properties, such as strip malls and shopping centers, recognizing that many small and locally owned businesses operate within these types of commercial settings. Each tenant benefiting from improvements will be treated as an individual assisted business and will be subject to a maximum grant award of \$50,000 per tenant. To promote equitable distribution of limited CDBG funds and maximize the number of businesses served, the total grant award for any one multi-tenant commercial property will not exceed \$150,000, regardless of the number of businesses assisted. This structure allows multiple small businesses to benefit while preventing a disproportionate share of limited federal funds from being allocated to a single property.

Funding will be provided on a reimbursement basis, with payments issued following verification of completed work in accordance with program requirements. This approach ensures accountability and safeguards the proper and compliant use of public funds.

Business Selection

The program incorporates a competitive application process with a standardized scoring system that evaluates projects based on factors such as LMI area benefit, visibility, business impact, project readiness, and level of private investment. The program prioritizes small and locally owned businesses, particularly those serving neighborhood needs in LMI areas in eligible CDBG areas. A minimum of 25% match contribution is required to leverage private funding and maximize the impact of CDBG resources. Projects that demonstrate a higher-than-required match contribution will receive additional consideration through the scoring process, further incentivizing private investment and increasing the overall impact of available program funds.

Additionally, program requirements related to cost allocation, cost reasonableness, and limitation of assistance are incorporated to prevent undue private benefit and ensure compliance with federal regulations.

To ensure compliance with CDBG regulations, the program includes requirements related to environmental review, procurement, financial management, duplication of benefits, and ongoing monitoring. The City will maintain documentation demonstrating that all assisted activities meet the Low- and Moderate-Income Area (LMA) National Objective.

Marketing

The City will conduct targeted outreach to ensure broad awareness of the program, including the use of social media, direct business engagement, partnerships with local organizations, and multilingual materials to reach underserved business communities. These efforts are intended to promote

equitable access to program resources and ensure participation from a diverse range of local businesses.

Program Administration & Compliance

The SLICE Program is structured to ensure strong fiscal oversight and compliance with federal requirements. All projects will be subject to environmental review prior to the commitment of funds, and no construction may begin until clearance is obtained. Funding will be provided on a reimbursement basis, with payments made directly to contractors upon verification of completed work.

To ensure long-term public benefit, projects receiving more than \$25,000 in assistance will be subject to a recorded use restriction. The City will also implement monitoring procedures to verify compliance with program requirements and retains the ability to recapture funds if conditions of the grant agreement are not met.

The proposed program structure is designed to balance accessibility for small businesses with strong federal compliance and fiscal safeguards. By establishing clear funding limits, leveraging private investment, and prioritizing high-impact improvements, the program maximizes the effectiveness of limited CDBG resources while ensuring equitable distribution of funds.

5. Attachments

1. Attachment A - Staff Report for 2025-2026 Annual Action Plan
2. Attachment B - Staff Report for Substantial Amendment to 2025-2026 Annual Action Plan
3. Attachment C - SLICE Draft Policies and Procedures



Agenda Item

Community Development Block Grant Program Committee

Item #: 2.1.

4/30/2026

File #: 26-0223

TO: Community Development Block Grant Program Committee

THRU: Russell Bunim, Community Development Director

FROM: Jessica Herrera, Housing Manager

1. SUBJECT

Review of Policies and Procedures for the Business Assistance Façade Program.

2. SUMMARY

Consideration of draft Policies and Procedures for the Business Assistance Façade Program funded through the Community Development Block Grant.

3. RECOMMENDED ACTION

1. Approve the draft Policies and Procedures.
2. Recommend the draft Policies and Procedures to City Council for adoption.

4. DISCUSSION AND BACKGROUND

Background

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5. Attachments

1. Attachment A - Staff Report for 2025-2026 Annual Action Plan
2. Attachment B - Staff Report for Substantial Amendment to 2025-2026 Annual Action Plan
3. Attachment C - SLICE Draft Policies and Procedures



Agenda Item

City Council

Item #: 8.2.

6/24/2025

File #: 25-0339

TO: Honorable Mayor and Members of the City Council

THRU: Tom Kisela, City Manager

FROM: Russell Bunim, Community Development Director

1. SUBJECT

Continued Public Hearing to consider approval of the 2025-2029 Consolidated Plan including the 2025-2026 Annual Action Plan and 2025-2029 Regional Analysis of Impediments to Fair Housing Choice. (Continued from May 13, 2025)

2. SUMMARY

Public Hearing to approve the submission of the final 2025-2029 Consolidated Plan including the 2025-2026 Annual Action Plan and 2025-2029 Regional Analysis of Impediments to Fair Housing Choice and submit to the U.S. Department of Housing and Urban Development.

3. RECOMMENDED ACTION

1. Conduct and close Public Hearing.
2. Approve the 2025-2029 Consolidated Plan including the 2025-2026 Annual Action plan and 2025-2029 Regional Analysis of Impediments to Fair Housing Choice.
3. Authorize staff to incorporate comments received at the Public Hearing or make non-substantial changes if needed to the 2025-2029 Consolidated Plan or the 2025-2029 Regional Analysis of Impediments to Fair Housing Choice.
4. Authorize staff to submit the 2025-2029 Consolidated Plan to the Department of Housing and Urban Development and authorize the City Manager or their designee to execute all forms and agreements, including those with Subrecipients, and any other documents required by the Department of Housing and Urban Development upon approval of the Plan.

4. FISCAL IMPACT

All public projects, programs, and administration will be fully funded through the Community Development Block Grant (310) and HOME Investment Partnerships Program (317).

5. STRATEGIC PLAN GOALS

Goal 3: Enhance Public Communication Strategy and Quality of Life

6. DISCUSSION AND BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) mandates that jurisdictions receiving annual entitlement funding through the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs develop a Consolidated Plan (Con Plan) every five

years. This plan is designed to establish the City's housing and community development priorities, ensuring alignment with the objectives of the CDBG and HOME programs. Serving as a comprehensive strategic framework, the Con Plan enables the City to assess affordable housing and community development needs, evaluate market conditions, and make informed decisions based on data analysis.

Analysis of Impediments to Fair Housing Choice

As part of the development of the Con Plan, HUD requires participating jurisdictions to conduct an Analysis of Impediments to Fair Housing Choice (AI). The AI is a comprehensive study aimed at identifying and evaluating potential barriers - both in the public and private sectors - that may hinder an individual's ability to select housing free from discrimination. Additionally, it provides recommendations for addressing these barriers through a five-year Fair Housing Action Plan.

For the 2025-2029 AI, the City partnered with 33 other Orange County municipalities and the County of Orange to create a Regional AI. This comprehensive study addresses barriers to fair housing choice at both the countywide level and within the individual jurisdictions.

The Regional AI (Attachment A) was available for public review and comment from April 10, 2025 through May 12, 2025.

2025-2026 Annual Action Plan

The Con Plan is implemented through the Annual Action Plans (AAP) which provide a comprehensive summary of the strategies, activities, and federal and non-federal resources allocated each year to address the specific needs and objectives outlined in the Con Plan. The 2025-2029 Con Plan includes the first year of the plan, the 2025-2029 AAP.

Citizen Participation Process

The City advertised the Notice of Funding Availability in the City Orange News on November 14, 2025 and solicited applications for proposed projects and programs from November 14, 2025 through February 1, 2025. The City received eight applications for public programs and two applications for public infrastructure improvement projects. In addition, the Community Development Department requested funding to develop a business assistance program for the City Council's consideration.

On February 13, 2025, the CDBG Program Committee convened a public meeting to review presentations on proposed public programs and projects seeking CDBG funding. On March 13, 2025, the Committee deliberated on recommended funding awards based on the City's anticipated allocation. In the event that the final award differed from projections, the Committee recommended that allocations be proportionally adjusted to reflect the actual funding received.

The Committee's recommendations were incorporated into the 2025-2026 Annual Action Plan, which is part of the 2025-2029 Consolidated Plan, and made available for public review from April 3, 2025, to May 7, 2025.

On April 8, 2025, the City Council held a public meeting to consider the initial approval of the draft 2025-2029 Regional AI and 2025-2029 Consolidated Plan. During the meeting, the City received one public comment requesting a correction to the draft 2025-2029 Consolidated Plan, clarifying that the City of Orange does not have any cold weather shelters and emphasizing the need for additional low- and extremely low-income housing units. The comment was incorporated into the final version of the 2025-2029 Consolidated Plan.

On May 14, 2025, the City received notification that it will be allocated \$1,010,888 in CDBG funding and \$338,366.50 in HOME funding, which is lower than the originally estimated allocations of \$1,034,444 in CDBG and \$354,054 in HOME funding. To account for this difference, final allocation recommendations were adjusted in the draft 2025-2029 Consolidated Plan (Attachment B) to ensure alignment with the revised funding levels.

Staff is recommending the approval of the 2025-2029 Regional Analysis of Impediments to Fair Housing and 2025-2029 Consolidated Plan that includes the 2025-2026 Annual Action Plan for submission to HUD.

7. ATTACHMENTS

- Attachment A: Draft 2025-2029 Regional Analysis of Impediments to Fair Housing Choice
- Attachment B: Draft 2025-2029 Consolidated Plan



Agenda Item

Orange City Council

Item #: 9.1.

12/9/2025

File #: 25-0611

TO: Honorable Mayor and Members of the City Council

THRU: Jarad Hildenbrand, City Manager

FROM: Russell Bunim, Community Development Director

1. SUBJECT

Public Hearing to consider a Substantial Amendment to the Fiscal Year 2025-2026 Annual Action Plan that is included in the 2025-2029 Consolidated Plan to establish a Business Assistance Façade Program.

2. SUMMARY

A Substantial Amendment to the 2025-2026 Annual Action Plan, included as part of the 2025-2029 Consolidated Plan, proposing to establish a Community Development Business Façade Program aimed at enhancing commercial corridors within Community Development Block Grant eligible areas and allocate \$150,000 in available unspent funding from Fiscal Years 2023, 2024 and 2026 to the program.

3. RECOMMENDED ACTION

1. Approve the Substantial Amendment to the 2025-2026 Annual Action Plan that is included in the 2025-2029 Consolidated Plan to create a Community Development Business Façade Program activity.
2. Allocate \$100,000 to the Community Development Business Façade Program from the following sources:
 - a. \$45,741 from the Fiscal Year 2025-2026 Community Development Business Assistance Program (Admin)
 - b. \$36,973.89 from Fiscal Year 2022-2023 unspent entitlement funds
 - c. \$67,285.11 from Fiscal Year 2023-2024 unspent entitlement funds
3. Approve grant awards up to \$50,000 for each eligible business.
4. Approve priority for eligible businesses providing 25% or more in matching funds.
5. Authorize staff to incorporate public comments received into the Substantial Amendment.
6. Authorize the City Manager or his designee to approve non-material changes to the Substantial Amendment if needed and execute any documents or agreements required by the Department of Housing and Urban Development.
7. Authorize staff to submit the Substantial Amendment to the Department of Housing and Urban Development.

4. FISCAL IMPACT

The expense for this activity is \$150,000 and will be funded through Community Development Block Grant Fund (310).

5. STRATEGIC PLAN GOALS

Goal 2: Enhance Economic Development and Achieve Fiscal Sustainability

Goal 3: Enhance Public Communication Strategy and Quality of Life

6. DISCUSSION AND BACKGROUND

The U.S. Department of Housing and Urban Development (HUD) mandates that jurisdictions receiving annual entitlement funding through the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs develop a Consolidated Plan (Con Plan) every five years. The Con Plan is designed to establish the City's housing and community development priorities, ensuring alignment with the objectives of the CDBG and HOME programs. Serving as a comprehensive strategic framework, the Con Plan enables the City to assess affordable housing and community development needs, evaluate market conditions, and make informed decisions based on data analysis.

On June 24, 2025, the City formally adopted the 2025-2029 Con Plan, which identified economic development as a high-priority objective. As part of the Con Plan, the 2025-2026 Annual Action Plan (AAP) included funding in the amount of \$70,741 to support the creation of a Community Development Business Assistance Program aimed at advancing this priority.

2025-2026 Annual Action Plan

The Con Plan is executed through AAPs, which provides a detailed summary of the strategies, activities, and allocation of federal and non-federal resources each year to address the priorities identified in the Con Plan. The 2025-2029 Con Plan includes the 2025-2026 AAP, which is the first year of the five-year cycle.

Community Development Business Façade Program

The Community Development Department is proposing the establishment of a Business Façade Program aimed at revitalizing commercial corridors within eligible CDBG areas. The program would provide financial assistance to improve building exteriors visible from the public right-of-way, thereby enhancing neighborhood aesthetics and supporting local economic development.

Eligible improvements may include, but are not limited to:

- Architectural design services and related professional fees
- Labor, materials, and fixtures
- Restoration of historical or architecturally significant façade elements
- Gutters and downspouts
- Doors and windows
- Exterior painting, including murals
- Exterior lighting affixed to the building
- Siding and trim enhancements, including awnings and planter boxes
- Soffit and fascia repairs
- Decorative fencing to improve curb appeal
- Display windows and lighting for retail, restaurant, or service businesses
- Signage integrated into the building's architectural design
- Accessibility improvements for individuals with disabilities
- Installation or repair of awnings or shade structures
- Roofing repairs or replacement
- Interior blight remediation addressing code violations (e.g., accessibility, fire safety, mold)

The proposed program would provide grants of up to \$50,000 per eligible business located within designated CDBG areas determined by the adopted and most current CDBG eligibility area map. Staff is recommending that priority consideration be extended to businesses that contribute matching funds of 25% or more.

Proposed Funding

The funding for the Business Assistance Façade Program would not impact current projects and programs funded with CDBG. The funding for the program would come from the following sources:

1. \$45,741 from the \$70,741 allocated in the 2026-2027 AAP, included in the 2025-2029 Con Plan, for the development of a business assistance program (administration). The transfer will leave \$25,000 for the administration and development of the program and keep the administration allowance within the administrative cap.
2. Unspent funds from Fiscal years 2023 and 2024 funded projects that had savings from their approved budgets in the following fiscal years:
 - a. \$36,973.89 from Fiscal Year 2022-2023
 - b. \$67,285.11 from Fiscal Year 2023-2024

Citizen Participation Process

The Citizen Participation Plan (CPP) outlines the procedures for citizen participation in the planning process of the Con Plan and AAP. Pursuant to the City's CPP, the City shall amend the approved Consolidated Plan and Annual Action Plan when there is a:

- Substantial change (20% or more) in its allocation priorities or a substantial change in the method of distribution of funds takes place; or
- Carries out an activity, using funds from any program covered by the Con Plan (including program income) not previously described in the action plan; or has a
- Substantial change in the purpose, scope, location, or beneficiaries of an activity.

The City of Orange applied its substantial change criteria based on the introduction of a new activity not previously included in the City Council approved 2025-2026 AAP. The proposed funding allocation exceeds 20% of the original allocation, constituting a substantial amendment under the City's adopted guidelines.

CDBG Committee Public Hearing

On October 16, 2025, the CDBG Committee held a public hearing to review the proposed establishment of a Business Assistance Façade Program. During the hearing, the Committee also considered and discussed additional business assistance initiatives, including:

- Microenterprise Assistance (five or fewer employees, including owner) including training and technical assistance, startup for LMI entrepreneurs
- Financial assistance for growth or job retention, including loans/grants for equipment, working capital, expansion; job creation or retention.
- Technical assistance for small businesses including business counseling or mentoring,

marketing, legal/accounting advice; procurement training

- Job training and workforce development

In addition, the Committee discussed the advantages of a façade program, including:

- Visible community impact with tangible results that make storefronts more inviting, especially for older businesses with deteriorating buildings
- Revitalization of commercial corridors to increase foot traffic by making businesses more appealing and reduce commercial vacancies
- Do not have complex underwriting and job creation documentation, are lower risk for fraud, and easier to administer
- Create community pride for surrounding neighborhoods
- Buildings stay within the City of Orange

After deliberation, the Committee voted unanimously to recommend the establishment of a Business Assistance Façade Program and allocate \$150,000 in available CDBG funds to support its implementation.

30-Day Public Review of Substantial Amendment

Copies of the Substantial Amendment were made available for a 30-day public review and comment period, beginning October 30, 2025, and concluding on December 1, 2025 on the City's website and at the following locations:

- City Clerk's Office - 300 East Chapman Avenue, Orange, CA 92866
- Community Development Department - 300 East Chapman Avenue, Orange CA 92866
- Orange Main Library - 407 East Chapman Avenue, Orange, CA 92866
- El Modena Branch Library - 380 S. Hewes Street, Orange, CA 92866
- Taft Branch Library - 740 East Taft Avenue, Orange, CA 92865
- City Website: www.cityoforange.org/our-city/departments/community-development/housing/cdbg

No comments were received.

Staff recommends the approval of the Substantial Amendment to the 2025-2026 AAP, included in the 2025-2029 Con Plan, and the initial funding of \$150,000 to implement the program.

7. ATTACHMENTS

- Substantial Amendment to the 2025-2026 Annual Action Plan
- 2025-2029 Consolidated Plan

SLICE POLICIES AND PROCEDURES

PROGRAM BACKGROUND

The Supporting Local Investment in Commercial Exteriors (SLICE) Program was established through the Community Development Block Grant (CDBG) Program and is administered by the Community Development Department. Funded annually through entitlement allocations from the U.S. Department of Housing and Urban Development (HUD), the SLICE Program is designed to advance economic development within the City, an identified priority in the City's 2025–2029 Consolidated Plan.

The Consolidated Plan serves as a comprehensive strategic framework that guides the City's housing and community development initiatives. It ensures alignment with the objectives of the CDBG and HOME programs by assessing affordable housing and community development needs, analyzing market conditions, and supporting data-driven decision-making. As part of the development of the 2025–2029 Consolidated Plan, the City conducted a citywide needs assessment that identified economic development as a key community priority. The SLICE Program represents a targeted initiative designed to advance this priority by addressing the economic development needs outlined in the Consolidated Plan.

PROGRAM MISSION AND GOALS

MISSION: To revitalize commercial corridors by supporting local businesses in enhancing the appearance, accessibility, and character of their storefronts to foster economic growth, promote community pride, and contribute to the long-term vitality and prosperity of the City.

GOAL: To strengthen the resilience of businesses located in low- and moderate-income areas by providing targeted support for facade improvements that enhance curb appeal, promote community investment, and stimulate economic development.

AMOUNT & TYPE OF ASSISTANCE

The SLICE Program allocates a portion of the City's annual Community Development Block Grant (CDBG) entitlement funds to support eligible local for-profit businesses through façade improvement grants of up to \$50,000 per project. Grant awards are subject to the availability of funds and are intended to assist in the revitalization of commercial properties located within designated low- and moderate-income areas.

FAÇADE ELIGIBILITY

Only exterior improvements that are visible from the public right-of-way or street are eligible for funding under the SLICE Program. Eligible façades include building faces that face public streets, sidewalks, alleys, or other areas accessible to the general public. Improvements on portions of the building not visible from the public right-of-way are not eligible for funding.

This requirement ensures that CDBG funds are used to enhance the public appearance, safety, and economic impact of commercial corridors in low- and moderate-income areas, consistent with the program's National Objective.

USE OF FUNDS

SLICE is funded by a Community Development Block Grant (CDBG) and must comply with both CDBG and City requirements. Appropriate uses of the funds include the following:

ELIGIBLE IMPROVEMENTS

Façade and Exterior Improvements

- Façade rehabilitation, including historic restoration elements
- Exterior painting (including murals, subject to City approval)
- Siding, trim, soffit, and fascia
- Roofing (when part of a façade improvement project)
- Gutters and downspouts
- Doors and windows

Storefront & Architectural Features

- Awnings, canopies, and shade structures
- Storefront window improvements and display areas
- Exterior lighting attached to the building
- Signage integrated into the building architecture

Accessibility Improvements (ADA)

- Removal of barriers to access
- Accessible entrances and path-of-travel improvements
- ADA-compliant hardware and features

Code Compliance

- Correction of interior or exterior code violations
- Fire/life safety improvements
- Health and safety issues (e.g., mold remediation tied to code compliance)

Professional Services & Construction Costs

- Architectural, engineering, and design services
- Labor, materials, and fixtures directly related to eligible improvements

INELIGIBLE ACTIVITIES

Interior Improvements

- Interior modifications, except where required to correct documented code violations

Site Work & Non-Façade Improvements

- Parking lots, paving, or resurfacing

- Landscaping or irrigation
- Public sidewalks or work in the public right-of-way

Building Expansion and Structural Changes

- New construction
- Expansion of building area
- Structural alterations not tied to façade improvements or code compliance

Property and Business Operations

- Property acquisition
- Equipment and furnishings not permanently affixed to the building

Signage Restrictions

- Freestanding signage
- Signage not affixed or integrated into the building

Materials and Design Restrictions

- Painting of unpainted brick or masonry
- Fencing exceeding three (3) feet in height, unless otherwise approved

General Prohibitions

- Routine maintenance that does not result in a visible exterior improvement
- Work initiated prior to environmental clearance and funding agreement execution
- Activities prohibited under CDBG regulations

APPLICATION & GRANT TIMELINE

The open and competitive application period for the SLICE Program will open annually on the first Monday in June and close on the last day in June. Late or incomplete applications will not be considered.

All eligible applications will undergo a formal evaluation and scoring process in July. Notification of award or denial will be issued to all applicants on the first Monday in August.

Grant agreements will be executed following award notifications. The grant contract period will commence upon full execution of the agreement.

The Community Development Director reserves the authority to grant special consideration and approval for applications submitted outside the designated application period, at their sole discretion, and based on demonstrated need or extenuating circumstances.

MARKETING AND OUTREACH

The City will implement a comprehensive outreach strategy to ensure broad awareness of the SLICE Program and equitable access to funding opportunities for eligible

businesses in eligible areas.

- Outreach efforts may include, but are not limited to:
- Posting program information on the City’s website and social media platforms
- Distribution of printed materials such as flyers and program guides
- Direct outreach to businesses through in-person visits
- Email notifications
- Coordination with local partners,
- Hosting informational workshops and technical assistance sessions to support applicants
- Inclusion of program information in business license communications or other City mailings

The City will make reasonable efforts to ensure that outreach materials are accessible to a diverse audience, including providing translated materials and engaging with community-based organizations to reach underserved populations. The City may also promote completed projects through before-and-after documentation, testimonials, and other communication tools to increase program visibility and encourage participation. Outreach efforts will be conducted in a manner that affirmatively furthers fair housing and promotes equitable access to program resources.

APPLICATION EVALUATION CRITERIA

Applications will be evaluated on the following criteria

1. Location and LMA Impact (0-30 points):
 - a. Strength of LMA service area justification (walkability, proximity, residential nexus)
 - i. Weak or unclear LMA justification; limited explanation of service area: 0-3 points
 - ii. Meets LMA threshold; basic justification provided: 4-6 points
 - iii. Strong LMA justification with clear explanation of service area and surrounding residential context: 7-8 points
 - iv. Very strong justification supported by narrative, proximity to LMI neighborhoods, and clear evidence the business serves local residents: 9-10 points
 - b. Proximity and Accessibility to LMA Residents (0-8 points):
 - i. Limited proximity to residential areas; primarily auto-oriented or isolated: 0-2 points
 - ii. Moderate proximity; accessible but not strongly connected to neighborhood: 3-5 points
 - iii. Close proximity to LMA residential areas; easily accessible: 6-8 points
 - iv. Directly integrated into neighborhood (walkable, central location, strong residential adjacency): 8 points
 - c. Visibility from Public Right-of-Way (0-6 points):
 - i. Minimal visibility; not easily seen from street: 0-1 points
 - ii. Moderate visibility; partially visible: 2-3 points

- iii. Highly visible from public street or sidewalk: 4- 5 points
 - iv. Prominent visibility (corner lot, high-traffic frontage, multiple street exposures): 6 points
 - d. Neighborhood serving nature of business (0-6 points):
 - i. Business does not clearly serve local residents: 0-1 points
 - ii. General service with some neighborhood relevance: 2-3 points
 - iii. Provides commonly used goods/services to local residents: 4-5 points
 - iv. Clearly neighborhood-serving (e.g., food, retail, services used frequently by LMA residents)
- 2. Match Contribution (minimum 25% of total project cost): (0-25 points):
 - a. Minimum 25% match: 10 points (baseline)
 - b. 26%-35% match: 15 points
 - c. 36%-50% match: 20 points
 - d. 51% or more match: 25 points
- 3. Multi-Tenant/Areaed Impact – 0-15 points*
 - a. Single-tenant project: 0-5 points
 - b. Multi-tenant (2-3 eligible businesses): 6-10 points
 - c. Multi-tenant (4 or more eligible businesses): 11-15 points
- 4. Visual Impact (0–10 points)
 - a. Transformational façade improvement: 8-10 points
 - b. Moderate improvement: 4–7 points
 - c. Minimal improvement: 0–3 points
- 5. Business & Economic Impact (0–10 points)
 - a. Limited or unclear economic impact; business type does not clearly serve surrounding LMA residents: 0-2 points
 - b. Moderate impact; business provides general goods/services but limited neighborhood-serving role: 3-5 points
 - c. Strong impact; business provides essential or frequently used goods/services to the surrounding LMA area and demonstrates stability: 6-8 points
 - d. High impact; business is clearly neighborhood-serving (e.g., food, retail, services), demonstrates long-term stability, supports job retention and/or modest job creation, and/or is a small or locally owned business with demonstrated community reliance: 9-10 points
- 6. Project Readiness (0–5 points)
 - a. Incomplete application; missing key documents; unclear scope or budget: 0-1 points
 - b. Basic application complete; preliminary cost estimates provided; some details pending: 2-3 points
 - c. Complete application with contractor estimates, clear scope, and owner authorization; minor items pending: 4 points
 - d. Fully developed project; detailed cost estimates, design plans (if applicable), site readiness confirmed, no known environmental or permitting barriers: 5 points
- 7. ADA & Code Compliance (0–5 points)

- a. No ADA or code-related improvements included: 0 points
- b. Minor improvements that enhance accessibility or address low-level issues: 1-2 points
- c. Meaningful ADA or code improvements that increase accessibility or address documented deficiencies: 3-4 points
- d. Significant ADA improvements and/or correction of documented health, safety, or code violations (e.g., access barriers, life/safety issues): 5 points

**Conditions to qualify for these points:*

- *Tenants must be individually eligible and documented*
- *Improvements must benefit multiple storefronts visibly*
- *Cost allocation methodology must be defined*

Tie Breaker Priorities:

- Higher match contribution
- Greater number of LMI-serving tenants
- Small business (≤5 employees)
- Locally owned business

The SLICE Program scoring framework is designed to prioritize projects that maximize public benefit, leverage private investment, and contribute to corridor-wide revitalization. The City prioritizes assistance to small and locally owned businesses to support equitable access to capital and strengthen neighborhood-serving commercial activity.

Additional consideration will be given to:

- Projects that demonstrate higher-than-required match contributions;
- Multi-tenant commercial properties where multiple eligible businesses benefit from façade improvements; and
- Projects that result in a concentrated and visible impact within commercial areas and enhance the overall appearance and accessibility of multiple storefronts may receive additional consideration.

For multi-tenant properties, scoring preference will be based on the number of eligible tenant businesses directly benefiting from the improvements, rather than the overall size or cost of the project. Scoring for qualitative criteria will be based on the extent to which the application demonstrates clear, documented, and measurable outcomes aligned with program objectives. The City may require supporting documentation to justify scoring determinations.

TARGET AREA PRIORITIZATION

The SLICE Program is designed to support façade improvements within areas that meet the Low- and Moderate-Income Area (LMA) National Objective, as defined by the most recent U.S. Census data.

While all eligible projects located within LMA-qualified areas may be considered for funding, the City will prioritize projects that demonstrate a high level of public benefit,

including but not limited to:

- Strong visibility from the public right-of-way
- Concentration of improvements that contribute to corridor-wide revitalization
- Location within areas exhibiting signs of physical deterioration or disinvestment
- Projects that enhance pedestrian accessibility and neighborhood-serving commercial activity

The City may identify areas of strategic investment based on community development needs; however, all projects will be evaluated based on established program criteria. Funding decisions will be made in a manner that is fair, transparent, and consistent with CDBG requirements, with the goal of maximizing the overall impact of available funds. All projects must document compliance with the LMA National Objective, and prioritization will be based on the extent to which the proposed improvements advance program goals and community development outcomes.

TARGET AREA REQUIREMENTS

Census tract data is used to identify neighborhoods in the City where there are at least 51% or more residents that have been identified as Low- or Moderate-Income (LMI) households. These identified neighborhoods make up the “target area” of the program.

BUILDING/BUSINESS TYPE REQUIREMENTS

To qualify for the SLICE Program, applicants must own or lease a for-profit commercial property with a street-facing façade located within a qualified commercial corridor. Properties must have direct street access to be eligible. For properties that are currently vacant, the applicant must secure a commercial tenant within six months of grant approval to remain eligible.

Mixed-use buildings that include both commercial and residential components may qualify; however, grant-funded improvements must be limited exclusively to the commercial portion of the property.

Preference will be given to:

- Projects with a minimum 25% match
- Small businesses with fewer than five (5) employees
- Locally owned and operated businesses

MATCH CONTRIBUTION REQUIREMENT

A minimum match contribution of 25% of total project costs is required for all SLICE-funded projects. Match contributions must be from non-federal sources and must be documented and verified prior to reimbursement.

For larger projects, the City may require an increased match contribution to ensure appropriate private investment and to mitigate potential undue benefit. All assistance will be limited to the minimum amount necessary to complete the project and achieve program objectives.

The City may prioritize and award additional points to applications that demonstrate a higher-than-required match contribution. The City reserves the right to establish tiered match requirements based on total project cost.

MULTI-TENANT COMMERCIAL PROPERTIES (STRIP MALLS AND SHOPPING CENTERS)

Commercial properties containing multiple tenant spaces, such as strip malls or shopping centers, are eligible for assistance under the SLICE Program, provided that all improvements meet program requirements and are limited to eligible façade and exterior elements that are visible from the public right-of-way. Common area improvements must be clearly attributable to the benefiting tenant spaces and proportionally allocated. Improvements that primarily benefit the property owner or do not have a direct and documentable benefit to eligible tenant businesses may be deemed ineligible.

For multi-tenant properties, each tenant space benefiting from the improvements will be treated as an individual assisted business for the purposes of eligibility determination, National Objective compliance, and reporting. The City will maintain separate documentation for each tenant to demonstrate compliance with CDBG requirements, including Low- and Moderate-Income Area (LMA) benefit.

Program funds will be allocated to each tenant based on a reasonable and documented cost allocation methodology, such as linear frontage, square footage, or proportional share of the façade improvements. The selected methodology must be clearly documented and maintained in the project file. The City will perform a cost reasonableness analysis for all projects, including review of independent cost estimates, contractor bids, or other pricing documentation, to ensure that all costs are necessary and reasonable in accordance with 2 CFR 200.404.

A property owner may apply on behalf of multiple tenants; however, all benefiting tenants must meet program eligibility requirements and may be required to provide supporting documentation as determined by the City.

The maximum total grant award for any single multi-tenant commercial property shall not exceed \$150,000, regardless of the number of businesses assisted. Individual tenant awards remain subject to program funding limits. All improvements must demonstrate a clear public benefit, enhance the visual appearance of the commercial corridor, and be consistent with the program's National Objective. The City reserves the right to determine eligibility, funding levels, and cost allocations on a case-by-case basis to ensure compliance with all applicable CDBG regulations and to prevent undue private benefit.

The City will ensure that the level of assistance provided does not result in an undue financial benefit to property owners or businesses. Assistance will be limited to the minimum amount necessary to complete the project, and all costs will be evaluated for reasonableness and necessity in accordance with CDBG requirements.

OWNERSHIP REQUIREMENTS

Both business owners and commercial property owners are eligible to apply for SLICE Program funding. In cases where the applicant is a tenant, written consent from the property owner is required as part of the application process. If the application is selected for funding, the property owner will be required to provide a notarized letter of authorization and will be included as a party to the grant agreement.

It is required that tenant applicants have a minimum of 12 months remaining on their lease at the time of application or possess a renewal option to ensure project continuity and compliance throughout the grant term.

FEDERAL REQUIREMENTS

SLICE extends assistance to eligible projects under 24 CFR 570.202(a)(3). Because the program is funded with federal CDBG funding, all projects must comply with the CDBG program's National Objective of Low- to moderate-income benefit. The City will maintain documentation supporting the determination that each assisted business serves the defined service area, including narrative justification and, where applicable, mapping or supporting data.

The City will document the service area for each assisted business and maintain records demonstrating that the service area is primarily residential and that at least 51% of residents are low- to moderate-income and that the assisted businesses serve the surrounding LMA service area consistent with HUD guidance. The City will define and document the service area for each assisted business using reasonable and supportable methods, such as proximity, accessibility, and customer base characteristics. The City will maintain records demonstrating that the service area is primarily residential and that at least 51% of residents are low- to moderate-income.

Projects will be evaluated on a case-by-case basis to ensure eligibility with CDBG National Objective. Once a project is approved, applicants and contractors must agree to provide supporting documentation and comply with reporting requirements.

FLOOD INSURANCE

In accordance with federal regulations, applicants whose project sites are located within a designated 100-Year Flood Zone are required to maintain active flood insurance coverage in order to be eligible to receive Community Development Block Grant (CDBG) funds. Prior to submitting an application, applicants are advised to verify the flood zone status of their project location by visiting the Federal Emergency Management Agency (FEMA) Flood Map Service Center.

If the project site is determined to be within a flood zone and the application is selected for funding, the applicant will be required to provide proof of current flood insurance coverage as a condition of grant award.

OTHER PROGRAM REQUIREMENTS

1. Applications will not be accepted for improvements already underway.
2. All work must follow applicable permitting and code requirements, zoning ordinances, and standard engineering practices.

3. Architectural drawings may be required and will be the grantee's responsibility to obtain. (Costs can be included in 25% Contribution).
4. Davis-Bacon and Related Acts may apply depending on project type, funding structure, and federal requirements. The City will make the final determination regarding the applicability of federal labor standards.
5. Projects are required to comply with the Copeland Act, the Contract Work Hours and Safety Standards Act, and lead-based paint regulations.
6. Projects will be submitted for an Environmental Review.
 - a. No funds will be committed and no choice-limiting actions may be undertaken prior to completion of the environmental review and receipt of environmental clearance. The City will assume responsibility for completion of the environmental review and receipt of Release of Funds in accordance with 24 CFR Part 58.
 - b. If the building resides within a Historic District, we will be required to receive a certificate of appropriateness from the State Historic Preservation Office (SHPO). This can take up to 30 days.
7. Construction cannot begin until an executed contract is in place and the City's bid process is complete.
8. All work and purchase of materials must go through a licensed general contractor.
9. Any property that receives CDBG funds over \$25,000 for improvements would be subject to a five-year property use restriction recorded with the County and the City. The City reserves the right to recapture funds on a prorated basis if program requirements are not met. This is to ensure that the funded improvements benefit the business or a similar business at the property during that time.

DESIGN REQUIREMENTS

1. Façade improvements should make a noticeable contribution to neighborhood revitalization efforts.
2. The proposed design should be consistent with the character of the neighborhood.
3. Façade improvements should support and enhance pedestrian accessibility. Signs, windows, doors, and lighting should be pedestrian-oriented.
4. The improvements are to conform to local and national historic district guidelines, if applicable.
5. Significant architectural features should be repaired and preserved rather than replaced. If replacement is required, the design and materials should be consistent with the original historic character of the building.

APPLICATION SUBMISSION

Applications will be deemed complete upon submission of the following (incomplete applications will not be reviewed):

- Project details and supporting documents including:
 - Identified areas of the building to be improved (both in photo and description, such as, area east of the main entrance, from front east corner to west end of the building, around the doors or windows, etc.)
 - Existing types of surface and materials of areas to be refinished, altered, painted, etc., such as window or door frame material types.

- Proposed type of new surface, materials, etc.
- Signage must be attached to the building and have a reasonable description including size to determine if signage is considered a mural, non-religious, non-political, and allowed according to the zoning ordinance.
- Confirmation that lighting is either attached to the building's exterior, or an interior front window display
- Photographs of the building's current condition, including:
 - Every side which is visible from the street that you are proposing to make improvements on.
 - Specific areas where improvements will be made.
- Estimated budget:
 - Cite a source from a professional who has expertise in construction cost estimates. These are price quotes (not bids). Applicants cannot obligate funds to any professional, contractor, architect, etc. until they have an executed contract and have followed the city bid process.
- If the applicant is a tenant, a letter of support from the property owner must be included.
- All documentation or clarifications requested by City staff.
- All applications must be submitted through the City's portal by the deadline. City staff will provide technical assistance if needed.

APPLICATION REVIEW

All submitted applications will undergo an initial eligibility screening conducted by the Housing Manager to ensure compliance with program requirements. Applications deemed eligible will be forwarded to the SLICE Selection Committee for further evaluation and scoring.

The Scoring Committee (Committee) will consist of three members from various divisions including Economic Development, Planning, Building, and Code Enforcement. The Committee will assess each application based on established criteria and will prioritize projects that demonstrate the potential for significant visual and economic impact within the targeted commercial areas. The Committee may issue specific requirements or recommendations related to the proposed improvements. Compliance with any such requirements is mandatory in order to receive grant funding.

The results of the scoring committee will be sent to the Community Development Director for final decision based on the recommendations made. Such approvals must be documented and justified consistent with program objectives and CDBG requirements.

BID AND PRE-CONSTRUCTION

The applicant will work with the City to ensure that all procurement and labor requirements are met in compliance with federal regulations. Procurement will be conducted in accordance with federal procurement standards (2 CFR 200) and the City's procurement policies. The method of procurement used will depend on the nature and size of the project and may include sealed bids, competitive proposals, or other approved methods.

Invitations for bids, proposals, or solicitations will be publicly advertised through the City's Public Procurement website. Attendance at pre-bid meetings is required for General

Contractors to be eligible to submit a response. Contractors will have a defined period to submit their bids or proposals, which will be publicly opened and reviewed by City staff. Contractors cannot be promised work prior to completion of the procurement process.

Contractor selection will be based on the applicable procurement method and will consider responsiveness, responsibility, and compliance with project requirements. The City reserves the right to reject any or all bids or proposals if there is a sound, documented reason.

All program activities will comply with CDBG conflict of interest requirements under 24 CFR 570.611. The City will make the final determination regarding the applicability of federal labor standards, including Davis-Bacon requirements, for each project.

GRANT AGREEMENT

After a General Contractor is awarded the bid, the applicant will be required to enter and execute a three-party grant agreement with the City and awarded General Contractor to establish terms, conditions, and requirements for program participation. Any work completed prior to the execution of the Grant Agreement will not be eligible for payment. Funding must be spent by the end of the contract period; contract extensions will only be awarded on a case-by-case basis.

As part of the Agreement, the awardee may elect to be contacted by the Chamber of Commerce regarding ribbon-cutting opportunities and other services it offers. Choosing to be contacted is entirely optional and does not affect eligibility for the award or confer any preferential consideration.

CONSTRUCTION

Construction work shall commence once all approvals and permits have been received. All work must be completed within the contract period.

GRANT DISBURSEMENT

The City will pay General Contractors directly through progress payments as work and required documents are submitted and approved by the grantee. Payment requests must be submitted through the City's portal. Payments can take up to thirty days to process.

REPORTING

After the construction is completed, the applicant may be required to submit a post-program report. Applicants may also be asked to give a testimonial of the project. City employees will go on-site to take before, during, and after photos to document the project.

RECORD KEEPING

The City will maintain complete and accurate records for each project funded under the SLICE Program in accordance with Community Development Block Grant (CDBG) requirements. Records will be retained for a minimum period consistent with federal record retention requirements and will include, but are not limited to:

Documentation of applicant eligibility:

- National Objective compliance with Low- and Moderate-Income Area Benefit.

The City will maintain documentation in each project file demonstrating how the service area was determined and how the Low- and Moderate-Income (LMI) benefit was calculated.

- Environmental review and clearance documentation
- Procurement and contracting records
- Project budgets, invoices, and proof of payment
- Before, during, and after photographs of the project
- Inspection reports and project completion documentation
- Grant agreements and any amendments
- Documentation of compliance with applicable federal requirements

All records shall be made available for review upon request by authorized representatives of the City or HUD.

DUPLICATION OF BENEFITS

SLICE Program funds may not be used to pay for costs that have been or will be reimbursed by another source. Applicants are required to disclose all sources of funding related to the proposed project, including but not limited to:

- Insurance proceeds
- Other federal, state, or local grants
- Private funding or incentives

The City will review all funding sources to ensure that CDBG funds do not duplicate other financial assistance. If a duplication of benefits is identified, the City will reduce the SLICE award accordingly or require repayment of duplicated funds.

FINANCIAL MANAGEMENT

All SLICE Program funds will be administered in accordance with applicable federal financial management standards.

- Funds will be disbursed on a reimbursement basis only. No advance payments will be made.
- Payment requests must be supported by itemized invoices, proof of payment, and verification of completed work.
- The City reserves the right to withhold payment until all required documentation is submitted and approved.
- The City will pay contractors directly, as outlined in the grant agreement, based on approved progress payments.
- All costs must be necessary, reasonable, and directly related to eligible program activities.
- The City will maintain adequate internal controls to ensure compliance with 2 CFR 200, including separation of duties, review and approval of payment requests, and verification of costs prior to disbursement.

MONITORING AND COMPLIANCE

The City will monitor all SLICE-funded projects to ensure compliance with program requirements and applicable federal regulations.

- City staff may conduct site visits during and after construction to verify progress and completion of work.
- Recipients are required to cooperate with all monitoring activities and provide requested documentation in a timely manner.

- The City may conduct follow-up monitoring during the affordability/use restriction period to ensure continued compliance with program requirements.
- Any violations of program requirements or federal regulations may result in corrective actions, including repayment of funds.

The City reserves the right to enforce all provisions of the grant agreement and applicable regulations to ensure proper use of CDBG funds. The City may require corrective actions to address any findings identified during monitoring.

The City may conduct desk reviews and on-site monitoring in accordance with its risk-based monitoring procedures.

RECAPTURE OF FUNDS

The City reserves the right to recapture all or a portion of the awarded funds on a prorated basis if the recipient fails to comply with program requirements, including but not limited to failure to complete the project, maintain required use, or comply with applicable federal regulations. Recapture provisions will be enforced in accordance with the terms outlined in the grant agreement and any recorded use restrictions.