

CITY OF HEMET

CDBG GRANT APPLICATION INFORMATION BOOKLET COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM YEAR 2026/2027



APPLICATION ASSISTANCE WORKSHOP
2:00 pm; November 13, 2025
Strongly Encouraged for All Applicants
Mandatory for First Time Applicants

CDBG GRANT APPLICATION SUBMISSION DEADLINE
1:00 pm; December 2, 2025
Hemet City Hall 445 E Florida Avenue
Hemet, CA 92543
Phone: (951) 765-2300

<https://www.hemetca.gov/>

Important Dates

- ❖ **October 30, 2025:** Community Development Block Grant (CDBG) Program - Notice of Funding Availability (NOFA) Application made available on the City's website: <https://www.hemetca.gov/>
- ❖ **November 14, 2025: 2:00 pm:** Public Services Application Assistance Workshop
- ❖ **December 2, 2025; 1:00 pm:** CDBG Public Services Applications due at Hemet City Hall, Attn: Kara Franzo, Hemet City Hall 445 E Florida Avenue Hemet, CA 92543
- ❖ **February 9, 2026:** Draft 2026/2027 Annual Action Plan for 30-Day public review.
- ❖ **Tentative May 5, 2026:** City Council public hearing on 2025/2026 Annual Action Plan.
- ❖ **May 15, 2026:** 2025/2026 Annual Action Plan due to HUD

Contact Information

For further information, contact:

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Hemet, CA 92543
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E-mail: KFranzo@hemetca.gov

Introduction

The City of Hemet is pleased to present this Community Development Block Grant (CDBG) Information Booklet. This booklet is intended to explain the federal and local objectives of the CDBG program and to assist organizations in applying for funds. Included in this booklet are an explanation of activities eligible for funding, program funding limits, and a program schedule including application deadlines. Due to strict eligibility requirements, please carefully review this document and see if your project qualifies under the Code of Federal Regulations 24 CFR Part 570.

The objectives and policies outlined in this booklet provide general guidelines on the funding categories the City may consider for project selection and what priorities have been identified. Specific programs and/or projects identified for CDBG funding will be selected based upon the Community Needs Assessment completed as part of the Consolidated Plan process.

Annual Allocation

The Community Development Block Grant Program (CDBG) is administered by the U.S. Department of Housing and Urban Development (HUD), and is authorized under Title 1 of the Housing and Community Development Act of 1974 (HCDA), as amended.

HUD is responsible for monitoring participating jurisdictions to ensure compliance with CDBG program requirements. The regulations implementing the CDBG Program are found in the Code of Federal Regulation: 24 CFR Part 570.

Each year, HUD allocates federal grant funds to qualifying entitlement cities with a population greater than 50,000. The City of Hemet qualifies as an entitlement jurisdiction based upon having a population of over 50,000 people. Funds are allocated based upon a five part formula which factors population, extent of housing overcrowding, poverty, age of housing and growth lag. Therefore, funding allocation varies from year to year. On average the City of Hemet receives \$850,000 per year. The direct entitlement allows great control of funds through local selection of projects and ensures greater accountability of the use of fund through the Citizen Participation process.

Funding Limitations

HUD allows a maximum of 20% of the CDBG award to be used towards general program administration and planning. A maximum of 15% of the City's total allocation may be used for Public Services activities. The remaining 65% is used for other improvements vital to a community development such as economic development, code enforcement, senior centers, recreational facilities, street improvements, parks, and playgrounds.

CDBG Average Allocation		
Activities	Percentage	Amount
Administration Planning Cap	20%	\$ 170,000.00
Public Service Cap	15%	\$ 127,500.00
Available for Other Activities	65%	\$ 552,500.00
		\$ 850,000.00

Purpose of the CDBG Program

The purpose of the CDBG program is to enhance and maintain viable urban communities through the provision of decent affordable housing, a suitable living environment, and the expansion of economic opportunities for low – moderate-income (LMI) persons and households.

National Objectives

To be eligible for CDBG funding each activity must meet one of HUD's three National Objectives. The National objectives are:

1. **National Objective #1:** Benefit low - moderate income persons
2. **National Objective #2:** Aid in the prevention or elimination of slum and blight
3. **National Objective #3:** Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available.

National Objective #1: Benefit Low - Moderate Income Persons

The Benefit to Low- and Moderate-Income Persons (also known as Low/Mod or LMI) is referred to as the “primary” National Objective because Federal regulations require that 70% of CDBG funds meet this National Objective. The definition of a LMI person or household is having an income equal to or less than the Section 8 lower income limits established by HUD.

To determine if a project qualifies under National Objective #1, the project must fall under Low-Moderate Area Benefit or Low –Moderate Limited Clientele.

Low-Moderate Area Benefit

An area benefit activity serves geographic areas where at least 51% of the households are low and moderate income and primarily residential. To meet this criterion, 51% of household incomes must be equal to or less than 80% of the County median income. Typical activities of LMA are construction, graffiti abatement, community facilities, construction of a health clinic, development of a community center, and street, water, and sewer line improvements.

Low-Moderate Limited Clientele

Under this category, beneficiaries of an activity must be low-moderate income. There are two methods to determine income eligibility: 1) Household income or 2) Presumed LMI.

1. Household income: Gross household income according to household size needs to be within the current CDBG annual income limits.

2025 CDBG Income Limits

FY 2025 Income Limit Area	Median Family Income	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Riverside-San Bernardino-Ontario, CA MSA	\$103,900	Very Low (50%) Income Limits (\$)	39,200	44,750	50,350	55,950	60,450	64,900	69,400	73,850
		Extremely Low Income Limits (\$)*	23,500	26,850	30,200	33,550	37,650	43,150	48,650	54,150
		Low (80%) Income Limits (\$)	62,650	71,600	80,550	89,500	96,700	103,850	111,000	118,150

2. Presumed LMI: Presumed by HUD to be LMI persons with supporting documentation:
 - a. Abused children
 - b. Elderly
 - c. Battered spouses
 - d. Homeless persons
 - e. Illiterate Adults
 - f. Persons living with AIDS
 - g. Migrant Farmworkers
 - h. Severely Disabled *defined below*:
 - i. Use of a wheelchair or another special aid for 6 months or longer
 - ii. Unable to perform one or more functional activities:
 1. Seeing, hearing, having one's speech understood, lifting, and carrying, walking up a flight of stairs and walking
 - iii. Prevented from working at a job or doing housework
 - iv. Autism, cerebral palsy, Alzheimer's, senility, dementia, or retardation
 - v. Under 65 years of age and covered by Medicare or receive SSI

National Objective #2: Prevention or Elimination of Slum/Blight

This category covers activities that aid in the prevention or elimination of slums or blight in a designated area. Examples include:

- Rehabilitation of substandard housing located in a designated blight area when the housing is brought to standard condition;
- Infrastructure improvements in a deteriorated area; and
- Economic development assistance in the form of a low-interest loan to a business as an inducement to locate a branch store in a redeveloping blighted area.

Projects may qualify if benefiting an area defined under state or local law as a slum or blighted area, and which contains a substandard number of deteriorating or dilapidated buildings or infrastructure. To meet eligibility requirements, the activity must be designed to address one or more of the conditions which qualified the area as slum and blighted. Residential rehabilitation qualifies if the property is considered substandard per local definition.

National Objective #3: Urgent Need

Activities must be designed to alleviate existing conditions that pose a serious and immediate threat to the health or welfare of the community, which became

urgent within the past 18 months, the grantee is unable to finance the activity on its own, and other sources of funding are not available. Examples include:

- Acquisition of property located in a flood plain that was severely damaged by a recent flood;
- Public facility improvements like the reconstruction of a publicly-owned hospital that was severely damaged by a tornado;
- Public services like additional police protection to prevent looting in an area damaged by a recent hurricane;
- Interim assistance such as emergency treatment of health problems caused by a recent flood; and
- Special economic development assistance to a grocery store that was damaged by a recent earthquake.

Eligible CDBG Activities

Every project that receives CDBG funds must meet two criteria's: the project must meet a National Object and it must also be an Eligible Activity as defined in 24 CFR 570.201. A list of typical eligible activities includes, but is not limited to:

- Employment services (e.g. job training)
- Crime prevention and public safety
- Childcare
- Health services
- Substance abuse services (e.g. counseling and treatment)
- Fair housing counseling
- Education programs
- Energy conservation
- Senior citizen services
- Homeless services
- Down payment assistance
- Recreational services
- Youth services
- Public facilities improvements
- Economic development projects
- Infrastructure improvements
- Acquisition
- Clearance activities
- Rehabilitation/preservation
- Code enforcement
- Historic preservation

- Lead based paint evaluation and reduction
- Accessibility projects
- Planning/Administration

Ineligible Activities

Any activity not specifically authorized under CDBG regulations is ineligible for CDBG funds as defined in 24 CFR 570.207. The following activities may not be assisted with CDBG funds:

- Building for general conduct of government
- General government expenses
- Political activities
- Stadiums, sports arenas, auditoriums, and museums
- Central libraries (Branch libraries may be built in CDBG target eligible areas)
- Schools
- Airports, subways, bus or other public transportation stations
- Hospitals, nursing homes, and other medical facilities
- Treatment works for liquid industrial wastes or sewage
- Purchase of equipment or furnishing for a property
- New housing construction
- Operating and maintenance expense for public facilities, improvements, and services
- Lobby activities
- Direct income payments to clients

Eligible Costs

Examples of eligible costs but not limited to:

- Personnel/staff (salary and benefits)
- Operating costs
- Office/facility rental or lease costs
- Materials or supplies
- Communications
- Travel/mileage

Ineligible Costs

Examples of ineligible costs but not limited to:

- Programs that do not serve primarily low-moderate income persons
- Programs that promote religion

- Political activities
- Marketing, incentives, or fundraising
- Payment of debt or expenses incurred prior to agreement
- Entertainment, furnishings, or personal property
- Generally equipment, unless necessary to implement an eligible activities

Selection Criteria

The Hemet Ad Hoc Committee will review the applications and make a recommendation to City Council who will select CDBG Grantees and allocate funds for public services activities. The recommendations and selection will be based on the following criteria:

- Consistency of service activity with national objectives and federal requirements;
- Consistency of service activity with the goals, objectives, and strategies of the 5-year Consolidated Plan;
- Breadth and depth of service activity, including number of low- and moderate- income persons served or benefitted;
- Experience and competency of the grantee organization; and
- Demonstrated need and lack of other sources of funding.

Community Participation Plan

It is the policy of the City to encourage citizen participation in the development of its initial and future Consolidated Plans, its Annual Action Plans, and its Consolidated Annual Performance and Evaluation Reports (CAPER). The City will hold a public hearing to obtain citizens' views and to respond to proposals and questions. The hearing will be conducted for adoption of the Consolidated Plan or Annual Action Plan in May.

Citizen participation efforts include issuing public notices, conducting public hearings, sponsoring community meetings and workshops, and making draft documents available for public review. The City has placed special emphasis on encouraging participation by low- and moderate-income residents who live in areas where the CDBG funds to be used and in predominately low- and moderate- income neighborhoods of the City. A copy of City's adopted Citizen Participation Plan may be viewed at Hemet City Hall, 445 E Florida Avenue Hemet, CA 92543. Phone: (951) 765-2300, or online at <https://www.hemetca.gov/>

Appendix A

CDBG MATRIX CODES

CDBG Matrix Codes by Category

Matrix codes are listed here by category so you can quickly review the available choices.

Acquisition, Disposition, Clearance, Relocation

01	Acquisition of Real Property	04A	Cleanup of Contaminated Sites
02	Disposition of Real Property	08	Relocation
04	Clearance and Demolition		

Administration and Planning

20	Planning	21E	Submission of Applications for Federal Programs
20A	Planning (State-Administered CDBG Grantees)	21H	CDBG Funding of HOME Admin
21A	General Program Administration	21I	CDBG Funding of HOME CHDO Operating Expenses
21B	Indirect Costs	21J	State Administration
21C	Public Information	14H	Rehab: Administration
21D	Fair Housing Activities (subject to Admin cap)		

Economic Development

14E	Rehab: Publicly or Privately Owned Commercial/Industrial (CI)	17D	CI: Other Improvements
17A	CI: Acquisition/Disposition	18A	ED: Direct Financial Assistance to For-Profits
17B	CI: Infrastructure Development	18B	ED: Technical Assistance
17C	CI: Building Acquisition, Construction, Rehabilitation	18C	ED: Micro-Enterprise Assistance

Housing

12	Construction of Housing	14G	Rehab: Acquisition
13	Direct Homeownership Assistance	14H	Rehab: Administration
14A	Rehab: Single-Unit Residential	14I	Lead-Based Paint/Lead Hazards Testing/Abatement
14B	Rehab: Multi-Unit Residential	14J	Housing Services
14C	Rehab: Public Housing Modernization	16A	Residential Historic Preservation
14D	Rehab: Other Publicly Owned Residential Buildings	19E	Operation/Repair of Foreclosed Property
14F	Rehab: Energy Efficiency Improvements		

Public Facilities and Infrastructure Improvements

03A	Senior Centers	03L	Sidewalks
03B	Handicapped Centers	03M	Child Care Centers
03C	Homeless Facilities (not operating costs)	03N	Tree Planting
03D	Youth Centers	03O	Fire Stations/Equipment
03E	Neighborhood Facilities	03P	Health Facilities
03F	Parks, Recreational Facilities	03Q	Facilities for Abused and Neglected Children
03G	Parking Facilities	03R	Asbestos Removal
03H	Solid Waste Disposal Improvements	03S	Facilities for AIDS Patients (not operating costs)
03I	Flood Drainage Improvements	03	Other Public Facilities/Improvements
03J	Water/Sewer Improvements		
03K	Street Improvements		

Public Services

05A	Senior Services	05N	Services for Abused and Neglected
05B	Handicapped Services	05O	Mental Health Services
05C	Legal Services	05P	Screening for Lead Poisoning
05D	Youth Services	05Q	Subsistence Payments
05E	Transportation Services	05R	Homeownership Assistance (not direct)
05F	Substance Abuse Services	05S	Rental Housing Subsidies
05G	Services for Battered and Abused Spouses	05T	Security Deposits
05H	Employment Training	05U	Housing Counseling
05I	Crime Awareness/Prevention	05V	Neighborhood Cleanups
05J	Fair Housing Activities (subject to Public Services cap)	05W	Food Banks
05K	Tenant/Landlord Counseling	03T	Operating Costs of Homeless/AIDS Patients Programs
05L	Child Care Services	05	Other Public Services
05M	Health Services		

Repayment of Section 108 Loans

19F	Planned Repayments of Section 108 Loans	19G	Unplanned Repayments of Section Loans
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Other

06	Interim Assistance	19C	Non-Profit Organization Capacity Building
07	Urban Renewal Completion	22	Unprogrammed Funds
09	Loss of Rental Income	23	Tornado Shelters Serving Private Mobile Home Parks
11	Privately Owned Utilities		
15	Code Enforcement		
16B	Non-Residential Historic Preservation		



Applicant Information

Organization Name: _____

Is the organization an eligible non-profit (501(c)(3)) status, entity of general government, or an existing city department? *(Check One)*

Non-profit 501(c)(3) organization (Must hold active status at the time of application submission)
 Entity of General Government
 City Department

Organization Address: _____

Federal TAX ID/EIN Number: _____	SAM.gov/Federal ID: _____
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Contact Person for implementation of the program: Name: _____ Title: _____ Phone #: _____ Email: _____	Authorized to sign the contract for the Organization: Name: _____ Title: _____ Phone #: _____ Email: _____
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Has your organization received CDBG funds in the past? No Yes When _____

PROGRAM/PROJECT INFORMATION

Program/Project Title & Site Location Address:

Title: _____

Address: _____

City/State/Zip: _____

Amount of Funds Requested: \$ _____	This request is for a <i>(Check One)</i> : <input type="checkbox"/> New Program/Project <input type="checkbox"/> Increase the Level of Existing Service
Number of Unduplicated Persons to be Served: _____	

Program/ Project Type: <i>(Check One)</i> :	<input type="checkbox"/> Public Services Program/Project/Activity <input type="checkbox"/> Infrastructure Project (CAPITAL PROJECT) <input type="checkbox"/> Community/Public Facilities Project (CAPITAL PROJECT) <input type="checkbox"/> Other Community Development Project/Activity
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HUD CDBG NATIONAL OBJECTIVE

Applicants seeking CDBG funding from the City of Hemet must propose activities designed to meet the HUD National Objective of providing a direct benefit to low-moderate-income persons.

Please select one of the four following CDBG eligibility categories for your proposed project.

- 1. Low- Moderate-Income Area Benefit (LMA):** An activity that benefits all residents in a particular area where at least 51% of the residents are low- and moderate-income persons as determined by the most recently available decennial Census information or other statistically reliable standards as approved by HUD. **(Not applicable for Public Service programs)**

City of Hemet GIS Census Tract and Block Group Map:

<https://gis.cityofhemet.org/portal/apps/webappviewer/index.html?id=bbd3e89172b9479f9f3997c82589c61d>

If selecting this category, please identify the census tract(s) to be served? _____

How many total residents and low- moderate-income residents would benefit from this activity?
(See census info in the guidelines) _____

- 2. Low- Moderate-Income Clientele (LMC):** Activities under this category **require documentation** on family size and income to show that at least 51% of the clientele served are low- and moderate-income. **OR** must benefit a Limited Clientele that is generally presumed to be principally low- and moderate-income.

If selecting this category, please identify the primary clientele served. _____

How many eligible clients would be served by this activity? _____

If presumed low- and moderate-income clientele, please select a category:

- | | | |
|---|---|---|
| <input type="checkbox"/> Abuse Children | <input type="checkbox"/> Battered Spouses | <input type="checkbox"/> Elderly Persons (aged 62+) |
| <input type="checkbox"/> Severely Disabled Adults | <input type="checkbox"/> Homeless Persons | <input type="checkbox"/> Illiterate Adults |
| <input type="checkbox"/> Persons Living with AIDS | <input type="checkbox"/> Migrant Farm Workers | |

- 3. Low- Moderate-Income Housing Activity (LMH):** An activity undertaken for the purpose of providing or improving permanent residential structure(s) which, upon completion, will be occupied by low- and moderate-income persons at an affordable rate. If the structure contains more than one unit, at least 51% must be occupied by low- and moderate-income persons.

If selecting this category, please describe the activity type: _____

How many eligible households would benefit from this activity? _____

- 4. Low- Moderate-Income Job Creation or Retention Activity (LMJ):** An activity designed to create or retain permanent jobs, at least 51% of which will be made available to or held by low- and moderate-income persons.

If selecting this category, please describe activities & jobs to be created/retained: _____

How many eligible people would benefit from this activity? _____

City of Hemet Community Development Block Grant (CDBG) Program



3. Indicate the number of unduplicated people or households (housing rehab.) served:

Actually served during Program Year 2024-2025 _____

Expected to be served during the current Program Year 2025-2026 _____

Expected to be served during the upcoming Program Year 2026-2027 _____

4. Identify your procedures that will document low- and moderate-income eligibility of program participants. (Attach an intake form, a copy of the application, or a detailed list of items used to determine client eligibility)

5. Briefly describe your organization's qualifications, indicate staff members and experience in managing grants and similar programs.

6. Briefly describe your agency's record-keeping system with relevance to the proposed project/program.

City of Hemet Community Development Block Grant (CDBG) Program



7. Does the organization:
- a) Carry worker's compensation insurance for employees? Yes No
 - b) Carry general liability insurance? Yes No
 - c) Have a secured space for program/project files to be retained for a minimum of 5 years? Yes No
 - d) Proposed project/program/activity comply with ADA accessibility standards, providing accessibility for the disabled to allow accessibility/participation in the project/program/service?
 Yes No

8. Will the proposed project/program be commenced and fully completed between July 1, 2026, and June 30, 2027? Yes No

PROPOSED PROGRAM/PROJECT OPERATING BUDGET

Provide the anticipated operating budget for the proposed CDBG Program/Project. The CDBG portion of the budget must reflect only those costs serving CDBG-eligible City residents. Indicate any leveraged funds to be used in conjunction with CDBG funds to implement the Program/Project. Additionally, provide the total operating budget for your organization for each type of operating expense. Please round up to the nearest dollar.

Cost Category	Proposed CDBG Program/Project Operating Budget			Total Organization Operating Budget
	CDBG Funds Requested	Leveraged Funds	Total Program/Project Operating Budget	
Personnel Costs <i>(Salaries, Benefits, Others)</i>	\$	\$	\$	\$
Non-Personnel Costs <i>(Supplies, Consultants, etc.)</i>	\$	\$	\$	\$
Capital Improvement Costs <i>(Design, Consultants, etc.)</i>	\$	\$	\$	\$
Total Budget	\$	\$	\$	\$

1. Does the implementation of this program depend on receiving 100% of your CDBG request?
 Yes No

2. If you are not approved for 100% of your CDBG request, how will you address the shortfall?

3. If utilizing CDBG funds for personnel costs, will your organization be able to utilize a codified timesheet for all hours worked (CDBG and non-CDBG) and submit unredacted timesheets, paychecks, and activity logs according to §200.430 (8) (i) and 200.430(8)(vii)? Yes No



4. Does the organization have established: a) Financial Management System? Yes No b) Chart of accounts for tracking financial transactions segregate and track CDBG activities and expenditures from other funds? (no co-mingling of funds) Yes No If "Yes", briefly describe the organization's record-keeping, tracking, and reporting system: c) System for Internal Controls (separation of duties) Yes No
5. Are financial reports regularly presented/adopted for Board Council adoption? Yes No If "Yes", how frequently (monthly, yearly, etc.)? _____
6. Does the organization have annual independent audits completed? Please note that if approved for funding, the organization will be required to provide a copy of the independent audit completed. Yes No
7. Does the organization receive more than \$750,000 in federal grant funds annually? Yes No
8. Does the organization plan to receive other sources of funds from the City of Hemet? Yes No

APPLICATION ATTACHMENTS

Please attach the following documents with your application.

- Proof of Active 501(c)(3) Status – Must be Active when applying
- Most recent audited financial statement
- Status List of Board of Directors
- Bylaws and Articles of Incorporation
- Conflict of Interest Policy
- Copy of lease (if CDBG funding request involves reimbursement of rental expenses)
- For donated space: Letter from outside organization detailing terms of donated space to conduct the proposed project (if applicable)

I certify that the aforementioned statements are true and correct.

Print Name of Person Signing the Contract

Signature

Title

Date

