

REVISED EXHIBIT A
GRANT SERVICE REQUIREMENTS

FOUNDATION will administer the disbursement of the Grant Award as set forth below.

A. Period of Service

The Grant Services will commence December 1, 1999 and shall continue through December 31, 2004. All awards to community groups shall be disbursed by FOUNDATION no later than December 31, 2004.

B. Allocation of Grant Award

The Grant Award shall be utilized as defined in the Revitalization Plan:

1. An amount not to exceed \$18,951 for FOUNDATION's administrative services as amended by this continuation agreement.
2. An amount not to exceed \$43,000 to be paid by FOUNDATION to Coalition to defray Coalition's administrative expenses as set forth in Subsection D of this exhibit.
3. \$300,000 shall be expended on the award of grants through the Neighborhood Improvement Grant to improve the physical condition, appearance, and/or function of the neighborhood block as more particularly specified in EXHIBIT B. The FOUNDATION, upon approval of this continuation agreement, shall disperse \$50,000 of the remaining grant balance to the Coalition so that it may fund block grant projects for the Spring cycle
4. \$2,800 for an outreach program to inform the property owners in the University neighborhoods about the availability of the Neighborhood Improvement Grant funds.

C. Description of Grant Services

FOUNDATION will provide the following services with respect to the the Neighborhood Improvement Grant:

1. Upon selection and approval of Neighborhood Improvement Grant awards by Coalition, and prior to disbursement of any Neighborhood Improvement Grant funds to Coalition, FOUNDATION will verify that qualifying factors are met for each the Neighborhood Improvement Grant applicant and the applicant's proposal.
2. Coalition shall verify that the recipients, including any applicable permitting requirements, expend the Block Grant Program funds properly.
3. FOUNDATION shall report to Coalition from time to time on the remaining balance of the Grant Award to prevent over commitment on the part of the Coalition.
4. FOUNDATION shall prepare and submit reports to CITY in coordination with Coalition as set forth in REVISED EXHIBIT C.
5. FOUNDATION shall provide the following services in order to assist Coalition:
 - a) FOUNDATION shall assist Coalition in the review of the Neighborhood Improvement Grant applications so as to ensure that the qualifying factors are met for each Block Grant Program applicant and the applicant's proposal;
 - b) FOUNDATION shall assist Coalition with the preparation and submittal of the quarterly financial reports of expenditures within the schedule set forth in REVISED EXHIBIT C; and
 - c) Coalition shall collect the Neighborhood Improvement Grant receipts, and all project management reports. Coalition shall submit this material to FOUNDATION for review and confirmation that the Neighborhood Improvement Grant fund requirements are met as set forth in Revised EXHIBIT B. Coalition shall provide FOUNDATION with supporting documentation for administrative expenses as set forth in Subsection D, below.
 - d) FOUNDATION shall assist the Coalition in opening a bank account. FOUNDATION shall disburse the portion of the Grant Award allocated for the Neighborhood Improvement Grant directly to the bank account established by the Coalition upon written request of the Coalition following the conclusion of the grant review process.
 - e) Except as described in Section B. 3. above the FOUNDATION shall disburse to the Coalition only the dollar amount awarded through the grant review process and shall retain the balance of the funding allocated for the the Neighborhood

Improvement Grant until the next the Neighborhood Improvement Grant review process is completed.

D. Payment of Coalition's Expenses

1. FOUNDATION shall disburse the portion of the Grant Award allocated for Coalition's administrative expenses directly to the bank account established by the Coalition upon receiving a quarterly spending plan approved by a majority vote of the Coalition. Future payments will not be disbursed until receipts for previous quarters have been submitted to and received by FOUNDATION. Eligible expenses include: administrative expenses related to the implementation of the Revitalization Plan.

E. Interest Payments

FOUNDATION shall add any interest earned on the Grant Award to the funds designated for the the Neighborhood Improvement Grant.

EXHIBIT B
GRANT GUIDELINES
University Neighborhoods Coalition
University Neighborhoods Improvement Grant

GRANT PURPOSE

The University Neighborhoods Improvement Grant funds are to be used for projects that make a significant difference in the physical and/or social condition of the University neighborhood.

GRANT CYCLE

Applications are available from:

University Neighborhoods Coalition (UNC)
C/o Grace Community Center
484 E. San Fernando Street
San Jose, CA 95113
Attention: Tom Johnston

And on-line: www.university-neighbor.org

Applications must be received by **5:00 P.M.** on the designated date.

Applications must be mailed or hand delivered to:

University Neighborhoods Coalition (UNC)
C/O Grace Community Center
484 E. San Fernando Street
San Jose, CA 95113
Attention: Tom Johnston

Late and faxed applications will not be accepted.

Photographs and support documents must be included with the complete application package.

ASSISTANCE IN GRANT PREPARATION

If assistance is needed in the preparation of this grant proposal, contact the University Neighborhoods Coalition at (408) 293-0422.

GRANT LEVELS

\$500-\$10,000: Grants for minor clean up (example: painting, landscaping, classes, supplies).

\$10,000 - \$25,000: Grants for major neighborhood rehabilitation projects. Funding for these projects may require neighborhood association/organization (or equivalent) support, and/or matching funds.

ELIGIBLE BOUNDARY AREA

The University Neighborhoods is bordered by E. Santa Clara St. (north), 280 Freeway (South), Coyote Creek (east), and S. 3rd St. (west). At least 65 percent (65%) of the money will be allocated to the area bounded by the 280 Freeway, S. 11th St., E. San Salvador St., and S. 3rd St.

WHO MAY APPLY

Property owners, tenants, business owners, neighborhood associations, and recognized groups within the university Neighborhood Coalition boundaries, and local schools are eligible to submit a grant application.

All projects shall be required to demonstrate a direct public benefit to the University Neighborhood Coalition Community. Projects on private property will also be required to submit written consent of the property owner for the project as part of their application packet.

In the event that the UNC wishes to fund a project to be performed by the City on City-owned property, no grant application shall be required. However, formal action by the UNC Board approving the proposed project shall be required. Once approved, the funds will be made available to the City for the project. A final report by the City shall be provided to UNC Board when the project is completed.

ELIGIBLE ACTIVITIES

- To apply for funding, eligible groups must submit an application for funding. The current focus of University Neighborhoods Coalition grants are projects that:
- Reduce/Eliminate Blight
- Beautify neighborhood(s)
- Provides access to programs and services that improve quality of life (i.e. classes, workshops)
- Promote neighborhood participation and the development of neighborhood organizations
- Provide activities for youth

- Stimulate interaction between family members of all ages
- Increase community pride
- Provide leadership development

Eligible activities will be considered in two funding categories: 1) Physical Improvements and 2) Social Improvement grants.

Physical

Physical improvement(s) shall be visible from the street. Projects should considerably improve the appearance and/or function of the "streetscape" (e.g. buildings, yards, fences, driveways, etc.), and repair existing infrastructure, or provide new infrastructure. Again, physical improvements on private property must demonstrate a public benefit as well as written consent of the property owner at the time of the application

Please note that certain projects may require permits. Contact the City of San Jose Department of Planning, Building and Code Enforcement for more information.

Exterior improvements shall consist of NON-STRUCTURAL work only. Eligible project include (but are not limited to):

- Street tree planting
- Sidewalk or curb repair
- Front yard fencing
- Root trimming and root guard
- Front yard or parking strip landscaping
- Painting

Social

Social improvement grants shall be awarded to projects that provide opportunities for children and families to interact in a manner that will enhance the family, the neighborhood and the community.

Eligible activities are events open to the community. Examples of eligible activities include (but are not limited to):

- Events open to the community that bring the community together, such as National Night Out, or barbecues after a community beautification activity
- English as a Second Language (ESL) Classes
- Introductory and Advance Computer Classes
- Health and Wellness

- Classes in Early Care and Education
- Homework assistance
- Recreation, social and cultural activities
- Parenting classes
- Leadership Development Activities
- Nutrition Programs
- Neighborhood Clean-ups

Ineligible Projects

- No portion of the grant may be used for religious purposes or to convey a religious message in any way. Religious organizations may request funding for programs that benefit the University Neighborhoods community as a whole so long as the program is run in a secular manner and does not promote or propagate a particular faith, creed or other religious belief. For example, if a church operates a homeless assistance program that is open to the larger community, is run in a secular manner and is recognized by the Internal Revenue Services as a 501[c]3 organization, the organization can apply for funding under certain conditions. Affected applicants are encouraged to contact the UNIVERSITY NEIGHBORHOODS COALITIONS prior to submission of their application to determine eligibility
- Projects or activities outside of the designated boundary area.
- Projects that involve activities that discriminate against a person's race, culture, gender, age, or sexual orientation.
- Projects that do not demonstrate a direct public good to the UNIVERSITY NEIGHBORHOODS COALITION community.
- Physical improvement projects without the written consent of the affected property owner

FINANCIAL INTEREST OR CONFLICT OF INTEREST

Coalition shall ensure that the process for evaluating and awarding grants shall be free from bias, free from conflicts of interest or the appearance of a conflict of interest. Grant Review Committee (GRC) members, and University Neighborhood Coalition members shall recuse themselves from consideration of an item and from voting on an item if (a) they or their spouse have a financial interest in a grant Project, a grant applicant or a grant application, or (b) if the GRC member or University Neighborhoods Coalition member serves as a Board member or representative of a grant applicant or other beneficiary of a proposed Project.

In recusing themselves, the GRC member or University Neighborhoods Coalition Board member shall not participate in the discussion of the grant application nor of the Project with any member of the GRC or the University Neighborhoods Coalition prior to the

decision regarding the application, nor shall such person vote on the grant application or the Project. Coalition shall provide Foundation with a summary of the matters where a University Neighborhoods Coalition board member or GRC member recused themselves pursuant to this paragraph, including the name of the University Neighborhoods Coalition Board member or GRC member, and a brief description of the item and the reason for recusal.

GRANT PRESENTATIONS

Selected applicants will have an opportunity to provide a presentation on the proposed project to the UNIVERSITY NEIGHBORHOODS COALITION BOARD. The presentation may be followed by questions by the BOARD with an opportunity for community input.

GRANT REVIEW COMMITTEE (GRC)

All applicants will be judged by a committee of the University Neighborhoods Coalition Board. The Grant Review Committee (GRC) shall consist of at least four members of the Board. The Grant Review Committee (GRC) will evaluate applications on how well the proposed project meets the selection criteria listed on page B-2, 3. Special attention will be given to how the application identifies and addresses a neighborhood need, how it relates to Grant vision and the process it uses to build and maintain community involvement.

GRANTING PROCESS

An application detailing the proposal must be submitted by 5:00 PM on the designated date. Once the application has been received, the following process will take place:

1. The UNC Board will review application(s), once a month during its regularly scheduled UNC meetings.
2. Projects that meet the selection criteria discussed above, will be rated and prioritized for funding. All applications will be evaluated for:
 - Thoroughness and completion of required attachments
 - Overall neighborhood effect of proposed grant
 - Financial and volunteer leverage

ACCEPTANCE OF GRANT FUNDS

Applicant(s) receiving Improvement Grant funds will sign a Letter-of-Agreement committing to the completion of the awarded project. Recipients will submit copies of all receipts for expenditures, project progress reports and final project outcome reports to the Coalition. Reports shall include income and expense information, photographs of completed project, number of participants involved in the project and other participant data, and any other information pertinent to the project.

If applicant does not sign a Letter-of-Agreement accepting the award within 15 days, a second notification letter shall be sent to the applicant. If the applicant fails to respond to the second letter, they will have forfeited their grant and funds shall revert to the Improvement Grant Fund.

DISTRIBUTION OF GRANT FUNDS

A letter will be sent to applicants whose projects are approved detailing the method by which funds will be distributed. Any grantee with less than two years experience in the administration of grant funding will be subject to two installment payments.

- Grant money will go to the vendor(s) supplying a product or service to the grant recipient;
- Grant money will be paid as a reimbursement upon submittal of approved receipts per awarded grants; or
- Grant money will go directly to a grant recipient with an established bank account and two authorized signatures on expenditures. If Improvement Grant funds are disbursed prior to the completion of the proposal, an initial payment of up to 25 percent of the grant will be made to the recipient. If Improvement Grant recipients need more than 25 percent of the grant, the University Neighborhoods Coalition may provide a larger initial payment. As expenditure reports are submitted, verified, and approved, additional monies from the grant award will be released.

PROJECT COMPLETION

Awarded project must be completed within six (6) months of date that the grantee first receives funding. Requests to extend the project beyond December 2004 may not be granted unless the City has extended the Grant Agreement with Foundation, which the City is under no obligation to extend. Unused or unspent grant awards shall be returned to the University Neighborhoods Coalition in order to replenish the Improvement Grant Program fund.

REQUIREMENTS FOR APPLYING FOR AN ADDITIONAL GRANT

Applicants receiving a grant must have completed any previous projects, including providing all reports, prior to applying for another grant. Outcome of previous funded project or event will be taken into account when judging additional applications. Preference will be given to groups or individuals that have not received grant funding in the past.

MISUSE OF GRANT FUNDS

If an Improvement Grant recipient does not comply with the Improvement Grant guidelines in any way, the University Neighborhoods Coalition will notify the recipient verbally and in writing of the disputed items, and provide guidance in order to reach compliance. If the recipient has not complied within the time period set by the University Neighborhoods Coalition, the remainder of the Improvement Grant award will be terminated and returned to the University Neighborhoods Coalition.