

Substantial Amendment to the State of California's Community Development Block Grant (CDBG) Program 2012-2013 Action Plan:

Under the authority of 24 CFR 91.505, California is submitting this Substantial Amendment to its 2013-2014 Action Plan pertaining to the State's CDBG Program Method of Distribution.

CITIZEN PARTICIPATION

This draft Substantial Amendment was available for comment from all interested parties for a 30-day period from **Monday, April 14, 2014 and ended at 5:00pm Tuesday, May 13, 2014**. For details see the Public Notices at the end of this document No comments were received.

Copies of the draft Substantial Amendment were made available for review at the Department, and copies of the Public Notice were e-mailed to CDBG Program contacts and interested parties. Both notices were available on the Department's website at <http://www.hcd.ca.gov/fa/cdbg/about.html> and also at public depository libraries as identified in the notice throughout the public comment period. HCD's website is at <http://www.hcd.ca.gov/> and the email address is cdbg@hcd.ca.gov.

PUBLIC COMMENT AND RESPONSE

No comments were received.

However, given further direction from the Governor's office, the Department has increased the term of assistance from 45 days to up to 30 days of rent in arrears and up to 60 for current and future rental assistance under the Subsistence Payment Public Service.

CDBG METHOD OF DISTRIBUTION

The Method of Distribution (MOD) for the State's 2014 CDBG Notice of Funding Availability (NOFA), as stated in the 2013-14 Annual Plan, will remain unchanged. However, due to the emergent need for immediate direct relief to mitigate the effects of the 2014 California Drought Disaster, as declared by Governor Brown in [Executive Order B-21-13](#), the Department of Housing and Community Development (the "Department") is amending the 2013-14 Annual Action Plan for the Community Development Block Grant (CDBG) program to add a MOD to implement a special drought related NOFA for eligible CDBG non-entitlement cities and counties highly affected by the drought.

Approximately \$5,000,000 will be made available via the **CDBG 2014 Drought NOFA** for CDBG-eligible activities which are documented as providing immediate direct relief and/or mitigation of the effects of the Drought for Californians in CDBG eligible non-entitlement areas.

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The additional Method of Distribution for the Drought is as follows:

1. ELIGIBLE APPLICANTS

All CDBG non-entitlement jurisdictions located in California counties determined by HCD to have disproportionately high economic impact from the drought are eligible to apply. HCD will determine whether a county is drought impacted using federal drought designations and employment data.

If more funding is requested than is available, HCD will reduce the funding amount per application according to measurements of economic distress in drought-impacted areas, using poverty and employment data.

Threshold Requirements

Pursuant to State CDBG Regulations at 25 CCR 7065.5, when the Governor declares an emergency, the Department has the authority to waive State Regulations that do not effect federal compliance and that may expedite the funding of activities to address emergent needs.

Pursuant to State CDBG Regulations, Section 7060, all eligibility criteria remains unchanged from the current MOD; with the exception that for the purposes of the 2014 CDBG Drought NOFA the following threshold criterion is waived:

- A. *State and Federal submittal requirements of OMB Circular A-133, Single Audit Report by the NOFA application due date.***
- B. *Compliance with State regulations at 25 CCR 7060(a)(3) pertaining to the 50% Rule by the application due date are being waived.***
- C. *Housing Element submittal requirements under Health and Safety Code 50829 and 50830.***

At time of application submission, the Department will review all applications from eligible applicants, as defined above, for the following eligibility criteria:

- a.** All eligibility threshold criteria currently being used in the 2014 NOFA and found in State CDBG Regulation at 25 CCR 7060 – Eligible Applicants other than those described above in Section 2 - *Threshold Requirements*.
- b.** Documentation substantiating a direct link between the current drought and the requested activity.
- c.** All eligibility threshold criteria pursuant to State CDBG Regulation at 25 CCR 7065.5 – Emergency Disaster Assistance, which include:

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- i. Documentation that the requested activity will alleviate the existing conditions which pose a serious and immediate threat to the health or welfare of the community, which are of recent origin (issue must not have existed more than 18 months prior to the final application filing date).
 - ii. Documentation that the applicant is unable to finance the activity on its own.
 - iii. Documentation that other sources of funding are not available to meet such needs.
- d.** Documentation that the applied for activity will meet an eligible National Objective.

2. FUNDING AND ACTIVITY LIMITS

The only eligible activity under this NOFA is **Public Services for Temporary Subsistence Payments (05Q), which can only include rental assistance and utilities with 30 days of rent in arrears and up to 60 for current and future rental assistance.** Each application must include documentation directly linking the activity to the outcome of immediate direct relief and/or mitigation of the effects of the Drought for low- and moderate-income beneficiaries in the applicant's jurisdiction.

The minimum application amount is \$200,000. The maximum application amount is \$1 Million.

Any unallocated funds from the CDBG 2014 Drought NOFA will be re-allocated to 2014 CDBG NOFA awards.

3. NATIONAL OBJECTIVES

All National Objectives (Low/Mod Benefit, Slums and Blight, and Urgent Need) are open for use for purposes of the CDBG 2014 Drought NOFA. However, the Department reserves the right to use area benefit (Low/Mod Income) where possible.

4. AVAILABILITY OF NECESSARY DOCUMENTS AND FORMS

As with all CDBG NOFAs, the Department will place the CDBG 2014 Drought NOFA, Application Forms and all other related documents on its Current NOFA page. The CDBG 2014 Drought NOFA will be posted May 30, 2014 at: <http://www.hcd.ca.gov/fa/cdbg/CurrentNOFAs.html>.

Substantial Amendment to the State of California's Community Development Block Grant (CDBG) Program 2012-2013 Action Plan:

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE
FEDERAL PROGRAMS BRANCH
Community Development Block Grant Program

2020 W. El Camino Ave, Suite 500
Sacramento, CA 95833
P. O. Box 952054, MS 500
Sacramento, CA 94252-2054
(855) 333-CDBG (2324) / FAX (916) 263-2762

EDMUND G. BROWN JR., *Governor*



FOR IMMEDIATE POSTING

DRAFT SUBSTANTIAL AMENDMENT TO THE 2013/2014 ANNUAL ACTION PLAN OF THE STATE OF CALIFORNIA'S FIVE YEAR CONSOLIDATED PLAN (2010 – 2015) PERTAINING TO THE METHOD OF DISTRIBUTION FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

PUBLIC COMMENT PERIOD ANNOUNCEMENT

The State of California, Department of Housing and Community Development (Department), is soliciting public review and comment to the Draft Substantial Amendment of the 2013/2014 Annual Action Plan for the State of California's Consolidated Plan FY 2010-2015 (Substantial Amendment). The Substantial Amendment is a result of changes made to the State's Method of Distribution of its Community Development Block Grant Program (CDBG) funding. The U. S. Department of Housing and Urban Development (HUD) is authorized to administer the CDBG funds. In accordance with the State's Public Participation Plan for its Consolidated Plan, the Substantial Amendment must be published for no less than 30 calendar days for public comment before it is submitted to HUD.

The State of California's Method of Distribution required changes to improve programmatic flexibility, efficacy, and efficiency.

The public comment period will begin Monday, April 14, 2014 and end at 5:00pm Tuesday, May 13, 2014. The Draft Substantial Amendment of the 2013/2014 Annual Action Plan for the State of California's Consolidated Plan FY 2010-2015 will be available for public review on the Department's website: [CDBG Public Notices](#), or at the Department's Community Development Block Grant Program in Suite 500; at planning departments of counties with at least one non-entitlement jurisdiction, and at the following depository libraries:

California State Library, Government Publications (Sacramento)
California State University, Meriam Library (Chico)
California State University, Library- Government (Long Beach)
Free Library, Government Publications (Fresno County)
Public Library, Serials Division (Los Angeles)

Substantial Amendment to the State of California's
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Public Library (Oakland)
Public Library, Science & Industry Department (San Diego)
Public Library, Government Documents Dept (SF)
Stanford University Libraries, Green Library, Government Docs
University of California, Government Documents Library (Berkeley)
University of California, Shields Library, Government Documents (Davis)
University of California, Research Library (LA)
University of California, Government Documents (San Diego/La Jolla)
University of California, Government Publications (Santa Barbara)

All written comments can be submitted via facsimile (916-263-2762), electronic mail (cdbg@hcd.ca.gov), or mailed to the following address:

Department of Housing and Community Development
Division of Financial Assistance. P.O. Box 952054
Sacramento, California 94252-2054
Attention: Susan Naramore

If you have questions or are in need of translators or special services, please contact the Department's Community Block Grant Program at (916) 333-CDBG. This proposal has been determined EXEMPT from CEQA (Public Resources Code Section 21080.10(b)) and CATEGORICALLY EXCLUDED from NEPA (Title 24 Code of Federal Regulations 50.20(o)(2)).

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STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE
FEDERAL PROGRAMS BRANCH

Community Development Block Grant Program

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PARA PUBLICACIÓN INMEDIATA

PROYECTO DE MODIFICACIÓN SUSTANCIAL AL PLAN ANUAL 2013/2014 DE EL PLAN DE ACCIÓN DEL ESTADO DE CALIFORNIA DE CINCO AÑOS AL PLAN CONSOLIDADO (2010 - 2015) RELATIVA A LA FORMA DE DISTRIBUCIÓN PARA EL PROGRAMA DEL DESARROLLO COMUNITARIO (CDBG)

ANUNCIO DEL PERÍODO DE COMENTARIOS PÚBLICOS

El Estado de California, Departamento de Vivienda y Desarrollo Comunitario (Departamento), solicita la revisión y comentarios del público sobre el proyecto de modificación sustancial del Plan de Acción Anual 2013/2014 para el Estado de California Plan Consolidado el año fiscal 2010-2015 (modificación sustancial). La modificación sustancial es el resultado de los cambios realizados en el Método del Estado de Distribución de su Programa de Subsidios para el Desarrollo Comunitario (CDBG) de financiación. El Departamento de Vivienda y Desarrollo Urbano de EE.UU. (HUD) está autorizado para administrar los fondos del CDBG. De acuerdo con el Plan de Participación Pública del Estado por su Plan Consolidado, la modificación sustancial se debe publicar por no menos de 30 días para comentario público antes de ser sometido a HUD.

El Método de Distribución del estado de California requiere cambios para mejorar la flexibilidad programática, la eficacia y la eficiencia.

El periodo de comentarios públicos empezará el lunes, 14 de abril 2014 y finalizará a las 5:00pm martes, 13 de mayo 2014.

El proyecto de modificación sustancial al Plan de Acción Anual 2013/2014 para el Estado de California Plan Consolidado el año fiscal 2010-2015 estará disponible para revisión pública en la página web del Departamento: [CDBG Public Notices](#), o al Programa del Desarrollo Comunitario del Departamento en Suite 500; en los departamentos de planificación de los condados con al menos una jurisdicción no de derecho, y en las siguientes bibliotecas:

California State Library, Government Publications (Sacramento)
California State University, Meriam Library (Chico)
California State University, Library- Government (Long Beach)
Free Library, Government Publications (Fresno County)
Public Library, Serials Division (Los Angeles)
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University of California, Shields Library, Government Documents (Davis)
University of California, Research Library (LA)
University of California, Government Documents (San Diego/La Jolla)
University of California, Government Publications (Santa Barbara)
Todos los comentarios escritos pueden enviarse por fax (916-263-2762), correo electrónico (cdbg@hcd.ca.gov), o por correo a la siguiente dirección:

Department of Housing and Community Development

Division of Financial Assistance. P.O. Box 952054

Sacramento, California 94252-2054

Atención de: Susan Naramore

Si usted tiene preguntas o necesita un traductor o servicios especiales, por favor póngase en contacto con el Departamento de Vivienda y Desarrollo Comunitario (CDBG) al (916) 333-CDBG. Esta propuesta se ha determinado EXENTA de CEQA (Sección del Código de Recursos Públicos de 21.080,10 (b)) y categóricamente EXCLUIDA de NEPA (Título 24 del Código de Regulaciones Federales 50.20 (o) (2)).