

**State Community Development Block Grant Program
Economic Development Allocation**

**CALIFORNIA COMMUNITY ECONOMIC ENTERPRISE FUND COMPONENT
Fiscal Year July 1, 2006 through June 30, 2007**

NOTICE OF FUNDING AVAILABILITY



**STATE OF CALIFORNIA
Department of Housing and Community Development
Financial Assistance Division
State Enterprise and Economic Development Section (SEEDS).
Community Development Block Grant Program (CDBG)**

**P.O. Box 942054
Sacramento, California 94252-2054**

**1800 Third Street, Room 330
Sacramento, California 95814**

**Telephone: (916) 552-9398
Fax: (916) 319-8488
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STATE OF CALIFORNIA

ARNOLD SCHWARZENEGGER, GOVERNOR

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

SUNNE WRIGHT McPEAK, SECRETARY

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

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SECTION 1

FUNDING NOTICE

The Department of Housing and Community Development (Department) announces the availability of approximately **\$4.5 million** for the 2006-2007 funding cycle of the California Community Economic Enterprise Fund ("Enterprise Fund" or "EF") Component of the State Community Development Block Grant (CDBG) Program's Economic Development Allocation.

There is a separate funding notice for the Over the Counter (OTC) Component. Other funding notices have been issued for the General Allocation and the Planning/Technical Assistance Allocation. Contact the Program Secretary for information about other notices at (916) 552-9363.

Authorizing Legislation and Regulations

The Program is authorized by the Housing and Community Development Act of 1974 (the "Act") as amended, and Subpart I of the Federal Community Development Block Grant Regulations. The requirements of the State Program are in the State CDBG Regulations, Title 25 of the California Code of Regulations, Section 7050, et seq.

Application Package

The Application contains the required forms for application submittal as well as instructions for completing those forms and detailed descriptions of the requirements. **IF YOU ARE INTERESTED IN COMPETING FOR FUNDING, YOU MUST REQUEST THE APPLICATION FROM THE CDBG PROGRAM.**

To download a copy of the application package over the internet, please go to our website at <http://www.hcd.ca.gov/ca/cdbg/funds/>; or contact your State Economic Development Representative (see Appendix A) or the Program Secretary at (916) 552-9363 or via e-mail at lsekas@hcd.ca.gov.

CHANGES FOR THIS YEAR

The 2006-07 application submittal, review and funding procedures have been revised to reflect the following changes, including 1-3, which reiterate the July 2005 management memo:

1. **Microenterprise programs** may only assist Targeted Income Group (TIG) clients with CDBG funds.

2. Self Certifications of Housing element status will not be required with the application. Housing element status will be confirmed with the Housing Policy Division on March 15, 2007. Jurisdictions not in compliance at that time will not be eligible to be awarded funds nor receive roll over funds.
3. Program guidelines no longer require full back-up documentation of employee income under job creation/retention programs. Self Certifications are sufficient when prepared by the employee.
4. An application will be deemed incomplete if it is missing **any** of the items specifically identified in Section 3 of this NOFA. An application that is deemed incomplete will be returned to the applicant with written explanations of deficiencies.
5. Application workshops will discuss and explain these changes. **The workshops will be given at locations around the State beginning in November 2006.** (See the October 24, 2006 NOFA announcement for workshop locations and dates).

USES OF FUNDS

Under the Enterprise Fund program component, grant funds are competitively allocated to jurisdictions, which may use the funds for:

1. Business Loans
2. Infrastructure Assistance Activities
3. Microenterprise Assistance Activities

Typical activities that are funded under an Enterprise Fund grant are listed under Section 2, Eligible Activities on page 5. The grant funds are reserved by the Department for use by the grantee with individual project funding decisions being made by the jurisdictions. Individual project funding decisions are made by the jurisdiction.

APPLICATION DATES AND DETAILS

Key Dates:

NOFA Release:	November 10, 2006
Application Release:	November 15, 2006
Final Filing Date:	January 31, 2007
Housing Element Compliance deadline:	March 15, 2007
Award Announcement:	April 16, 2007

IMPORTANT CHANGE: Applications must be received by 5 p.m. on January 15³¹, 2007, at the address below. Postmarks will not be accepted.

Number of Copies:

Submit one (1) Original and two (2) copies, with all required attachments.

Mail or Deliver Applications to:

State Community Development Block Grant Program
California Dept. of Housing and Community Development
1800 Third Street, Room 330, Sacramento, CA 95814
Telephone (Program Secretary): (916) 552-9363

Application Workshops:

The Department will present information workshops in several locations throughout the State. These workshops will be held after the release of the Application. The workshops will include a brief overview of the State Program and a discussion of the application evaluation criteria.

The Program provides more in-depth training to successful applicants through annual Grant Management training workshops. **The application workshops will focus primarily on the requirements for application preparation and submission.**

Eligible applicants who wish to attend a workshop should review this NOFA and **download and review the Application, and bring a copy of the Application to the training.** Information about the workshop dates, times, and locations are included in the NOFA announcement dated October 24, 2006.

Application Review Process:

The Application will first be reviewed for completeness. In order to be considered complete, a submitted application for funds must contain the information required in the Application. Complete applications for funding will be rated based on the criteria in the Application Evaluation, Criteria and Point Scoring table found on page 9. **If the application is incomplete, the application will not be rated nor ranked.** The applicant will be informed within **thirty (30) days** of the application due date with a written explanation of the deficiencies.

Award Decision

Staff recommends funding awards to the Director of the Department of Housing and Community Development based on the ranking of the rated applications. The Director's funding decision is made approximately **eighty (80) days** from the application's final filing date.

Awards Processing

All funded applications will be processed through a standardized Grant Agreement (Agreement). The Agreement will contain information about the terms and special conditions of the award. Special conditions will have to be met within ninety (90) days of the State's execution of the Agreement (stamped approval date). If the conditions are not met, the Department may terminate the Agreement.

Applicants are not permitted to incur any grant-related costs prior to the approval date stamped on the Agreement. Information about processing times and authorization requirements will be provided at the time the Agreement is sent to the grantee.

Whom to Contact for Further Information

For further information, please call your CDBG Economic Development Representative (see Appendix A), or the CDBG Program Secretary at lsekas@hcd.ca.gov or (916) 552-9363; fax number (916) 319-8488.

FUNDING LIMITS

Maximum Award Limits

Based upon recently adopted regulatory changes, maximum award limits under both the Economic Development and General/Native American components will be determined on a yearly basis and announced in each year's NOFA

For 2006-2007, the NOFA has set a maximum award limit of **\$500,000 per application**, for the applicant that can demonstrate through past performance that it has successfully and efficiently operated a similar CDBG Enterprise Fund Program.

SECTION 2

ELIGIBLE APPLICANTS

In general, incorporated cities under 50,000 population and counties with an unincorporated area population of under 200,000 persons are eligible to participate in the State CDBG Program. Eligible cities and counties may apply for all available funds. The following exceptions apply:

1. If a city under 50,000 in population has entered into a three-year urban county Cooperation Agreement with the U.S. Department of Housing and Urban Development (HUD), that city cannot participate in the State CDBG Program until the expiration of the agreement.
2. If a city under 50,000 in population has been declared the central city of a Standard Metropolitan Statistical Area, it cannot participate because it is entitled to receive CDBG funds directly from HUD.

NOTE: Applicants please take note of the following threshold factors.

An application must meet the following conditions to be accepted for consideration for funding:

1. The applicant shall have resolved any audit findings or performance problems for prior State CDBG grants. The Department may waive this requirement when:
 - Such problems or findings result in no obligation to return funds to the State;
 - Arrangements satisfactory to the State have been made for repayment or performance; or
 - A formal action to resolve the matter has been taken.

Some jurisdictions may be held out from receiving funds if there are unresolved findings from monitoring of prior CDBG grants. If you are unsure of your status, contact your State CDBG Economic Development Representative for guidance.

ELIGIBLE ACTIVITIES

Typical eligible activities that may be funded from a jurisdiction's Enterprise Fund include:

1. Construction loans (business/developer);

2. Equipment purchase loans (business/developer);
3. Working capital loans (business/developer);
4. Land acquisition loans (business/developer);
5. Loans for privately owned on-site improvements (business/developer);
6. Loans for business start-ups (business);
7. Loan guaranties (business/developer);
8. Grants for publicly owned infrastructure/off-site improvements; and
9. Microenterprise assistance activities, including technical assistance, business support, and credit lending.

Other funding activities may also be eligible. Contact your Economic Development Representative prior to submitting an application for an activity not listed above.

Note: Not all costs are eligible for CDBG purposes. The timing of expenditure of project activity funds can also affect the eligibility of costs for reimbursement. Applicants are advised to contact their Economic Development Representative in advance for confirmation of the allowable uses of funds.

PROGRAM REQUIREMENTS

Each activity must meet at least one of three national objectives:

1. **Benefit to the Targeted Income Group (TIG).** This objective can be met in one of two ways:
 - **Income Self-Certifications (for Business Assistance activities):**
At least 51% of the jobs created or retained under a BA grant must be filled by members of the (TIG). The Targeted Income Group, which includes "lowest Targeted Income Group (LTIG)," is based on a county's median income limit adjusted for family size, which is provided annually by HUD. TIG is 80% and below of the adjusted county median family income. LTIG is 50% and below of the adjusted county median family income.
 - **Income Self-Certifications with third party documentation verifying family income as TIG (required for microenterprise activities):**
Every participant in a CDBG-funded Microenterprise Assistance Activity must be identified per the HUD income guidelines described above as a member of the Targeted Income Group prior to receiving any service through the program.
2. **Aid in the prevention or elimination of slums or blight.** In general, this national objective is met if the CDBG-assisted activity will directly remedy a slum or blighted condition that is within a designated area that meets a definition of a slum, blighted, or deteriorated area under State or local law. The project being funded must specifically remedy a condition that has been identified in a redevelopment plan as a blighted or slum condition and the CDBG-funded

activity should be related to one of the projects specifically identified in an implementation plan as being necessary to remedy an identified slum, blighted or deteriorated condition. Under specific criteria, this objective can also be met on a spot basis. Prior to providing CDBG assistance under this national objective, the grantee should consult with the State CDBG Program to determine if the specific project can meet this objective.

- 3. Meet a community development need having a particular urgency.** A CDBG-assisted activity will meet this national objective if the jurisdiction certifies that the activity is necessary to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community, are of recent origin and for which the jurisdiction is unable to finance without an additional injection of funds. A condition will be considered to be of recent origin if it developed or became critical within 18 months of the certification by the jurisdiction. Prior to providing CDBG assistance under this national objective, the grantee should consult with the State CDBG Program to determine if the specific project can meet this objective.

Note: Applicants are advised to contact their Economic Development Representative in advance of submitting an application that meets a national objective other than benefit to TIG. An application which is designed to address the Slums and Blight or Urgency national objective is eligible to apply for Business Assistance funds only. Microenterprise Assistance funds must always meet the 100% TIG benefit national objective.

Each Business Assistance Activity Must Also Provide Public Benefit

The public benefit requirement is met through the creation or retention of full-time (1750 hours per year) and/or part-time (875 hours per year) aggregated jobs yielding a full-time equivalent (FTE), such that the activity does not exceed a \$35,000/job ratio.

Housing Element Compliance

CDBG will not reject an application based on either the content of the housing element or the Department's findings on the element, except as may otherwise be provided in Section 50830 of the Health and Safety Code.

The housing element requirements for award of grant funds are in Section 7056(b)(1) of the Program's Regulations. Housing element compliance requirements are in the Government Code, Title 7, Division 1, Chapter 3, Article 10.6, beginning with Section 65580.

Growth Control

Pursuant to Health and Safety Code Section 50830, no city or county is eligible to receive CDBG funds if the city or county has adopted a general plan, ordinance, or

other measure which directly limits, by number, the building permits that may be issued for residential construction, or the building lots which may be developed for residential purposes. However, **this provision shall not be applicable to:**

1. An ordinance adopted by a city or county which does any of the following:
 - a. Imposes a moratorium to protect the public health and safety on residential construction for a specified period of time if, under the terms of the ordinance, the moratorium will cease when the public health and safety is no longer jeopardized by the construction;
 - b. Creates agricultural preserves under Chapter 7 (commencing with Section 51200) of Part 2 of Division 1 of Title 5 of the Government Code;
 - c. Was adopted pursuant to a specific requirement of a State or multi-State board, agency, department, or commission; or
 - d. A city or county which has a housing element that the Department has found to be adequate pursuant to subdivision C of Section 65585 or Section 65586 of the Government Code at the time the city or county applies for funds under the State CDBG Program, unless a final court order has found that such housing element is not in compliance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

Performance Criteria

The Program will evaluate performance with prior CDBG ED Allocation grants to ensure that the intended benefits from these funds are likely to be realized by the beneficiaries.

SECTION 3

APPLICATION EVALUATION, CRITERIA AND POINT SCORING

All applications are given quantitative ratings and ranked against each other. In rating joint applications, information for the combined needs of all participating jurisdictions is used for the purpose of evaluating these applications. A maximum score of 100 points is assigned according to the following criteria. Points are allocated as follows:

Factor	Maximum Points
Need for Program	30
Local Program Capacity	50
Program Effectiveness	20
Total Points	100

The following review criteria are required to conduct a complete review of the application. If any one of these items is missing from an application, the application will be deemed incomplete and returned to the applicant. Without these items, staff will be unable to determine the feasibility or capacity of the proposed activity:

1. The applicants Program Guidelines.
2. A Task Matrix identifying the Tasks and the Entities responsible for carrying out the tasks, as identified in the Program Guidelines.
3. A Budget Matrix identifying tasks and the appropriate cost categories for those tasks, i.e. General Administration, Activity Delivery and Activity/Activities
4. Demonstrated capacity or access to capacity as evidenced by Resumes of staff/operators who have been or will be competing for procurement of assigned tasks in the Matrix/Guidelines accompanied by Executed Contracts for service or accompanying Letters of Interest from potential operators.
5. Evidence of additional funding support identified in the Matrix.

GENERAL ADMINISTRATION COSTS

Grantees are limited to **7.5%** of the total grant amount for General Administration expenses. In addition, grantees are allowed up to **15%** of the Activity Budget for Activity

Delivery costs (application amount less the general administration amount).

PUBLIC HEARINGS

CDBG Regulations require that two public hearings be held before the jurisdiction submits an application to HCD. The first hearing must be held during the program design stage. The second hearing must be held before the application is sent to HCD.

See Appendix C for more information about the public hearings requirement.

STATEMENT OF ASSURANCES

Applicable laws and regulations/applicant certification:

Federal and State statutes, regulations, and Executive Orders apply to the CDBG program. Some pertain to **all** local CDBG activities such as audits and procurement standards. Others are specific to certain activities, such as relocation law and labor standards. By State regulation, 25 California Code of Regulations Section 7070 (c) (3), applicants must submit a certification signed by the Chief Executive Officer. This certification must provide assurances that the jurisdiction and all sub-recipients will comply with all State and federal requirements.

The Statement of Assurances must be signed by the jurisdiction's Chief Executive Officer, regardless of any signatory designation in the governing body's resolution authorizing submission of the application.

Responsibility for compliance:

Grantees are responsible for complying with State, Federal, and applicable local laws and regulations that apply to the expenditure of State CDBG funds.

PUBLIC RECORDS ACT

Applications and grant agreements are public information and are available for review by the public. Applicants are advised that information submitted to the State may have to be made available to the public under the State Public Records Act unless an exemption under this Act applies to the information submitted and the applicant establishes a valid claim of confidentiality under such exemption.

APPENDIX

Appendix A. Eligible Jurisdictions with Poverty Data and CDBG Economic Development Staff Assignments

Notes:

1. Figures for County entries are for unincorporated areas only.
2. Data source: 2000 Census
3. Indicates counties that participate in the HUD CDBG Entitlement Program, and are **not eligible** to compete for funding under the State CDBG Small Cities Program. Only the cities listed under the asterisked counties are eligible to compete for State CDBG funding.

Appendix B. State CDBG Economic Development Contact Information

Appendix C. Public Hearings Requirement

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APPENDIX A

Eligible Jurisdictions with Poverty Index, CDBG Field Representatives and Telephone Numbers

JURISDICTION	PERSONS IN POVERTY²	FIELD REPRESENTATIVE	TELEPHONE
ALPINE COUNTY ¹	19.5	David Nelson	(916) 319-8479
AMADOR COUNTY	9.2	David Nelson	(916) 319-8479
Amador City	22.9	David Nelson	(916) 319-8479
lone	11.0	David Nelson	(916) 319-8479
Jackson	8.3	David Nelson	(916) 319-8479
Plymouth	10.4	David Nelson	(916) 319-8479
Sutter Creek	7.8	David Nelson	(916) 319-8479
BUTTE COUNTY	19.8	Stacy Tyhurst	(916) 552-9355
Biggs	7.9	Stacy Tyhurst	(916) 552-9355
Gridley	23.3	Stacy Tyhurst	(916) 552-9355
Oroville	33.1	Stacy Tyhurst	(916) 552-9355
CALAVERAS COUNTY	11.8	David Nelson	(916) 319-8479
Angels Camp	13.0	David Nelson	(916) 319-8479
COLUSA COUNTY	16.1	David Nelson	(916) 319-8479
Colusa	17.2	David Nelson	(916) 319-8479
Williams	19.2	David Nelson	(916) 319-8479
DEL NORTE COUNTY	20.2	David Nelson	(916) 319-8479
Crescent City	34.6	David Nelson	(916) 319-8479
EL DORADO COUNTY	7.1	David Nelson	(916) 319-8479
Placerville	12.1	David Nelson	(916) 319-8479
South Lake Tahoe	12.5	David Nelson	(916) 319-8479
FRESNO ³			
Firebaugh	22.5	Jim Miwa	(916) 319-8483
Fowler	21.5	Jim Miwa	(916) 319-8483
Huron	39.4	Jim Miwa	(916) 319-8483
Orange Cove	44.5	Jim Miwa	(916) 319-8483
Parlier	36.0	Jim Miwa	(916) 319-8483
San Joaquin	34.6	Jim Miwa	(916) 319-8483
GLENN COUNTY	18.1	Stacy Tyhurst	(916) 552-9355

Orland	19.0	Stacy Tyhurst	(916) 552-9355
Willows	24.6	Stacy Tyhurst	(916) 552-9355
HUMBOLDT COUNTY	19.5	Jim Miwa	(916) 319-8483
Arcata	32.2	Jim Miwa	(916) 319-8483
Blue Lake	11.1	Jim Miwa	(916) 319-8483
Eureka	23.7	Jim Miwa	(916) 319-8483
Ferndale	7.1	Jim Miwa	(916) 319-8483
Fortuna	17.4	Jim Miwa	(916) 319-8483
Rio Dell	23.1	Jim Miwa	(916) 319-8483
Trinidad	8.8	Jim Miwa	(916) 319-8483
IMPERIAL COUNTY	22.6	David Nelson	(916) 319-8479
Brawley	26.6	David Nelson	(916) 319-8479
Calexico	25.7	David Nelson	(916) 319-8479
Calipatria	24.2	David Nelson	(916) 319-8479
Holtville	18.2	David Nelson	(916) 319-8479
Imperial	11.6	David Nelson	(916) 319-8479
Westmorland	27.2	David Nelson	(916) 319-8479
INYO COUNTY	12.6	David Nelson	(916) 319-8479
Bishop	16.3	David Nelson	(916) 319-8479
KERN COUNTY ³		David Nelson	(916) 319-8479
Delano	28.2	David Nelson	(916) 319-8479
Taft	17.5	David Nelson	(916) 319-8479
Wasco	27.5	David Nelson	(916) 319-8479
KINGS COUNTY	19.5	David Nelson	(916) 319-8479
Avenal	30.7	David Nelson	(916) 319-8479
Corcoran	26.9	David Nelson	(916) 319-8479
Lemoore	13.4	David Nelson	(916) 319-8479
LAKE COUNTY	17.6	David Nelson	(916) 319-8479
Clearlake	28.6	David Nelson	(916) 319-8479
Lakeport	15.7	David Nelson	(916) 319-8479
LASSEN COUNTY	14.0	David Nelson	(916) 319-8479
Susanville	14.3	David Nelson	(916) 319-8479
LOS ANGELES COUNTY ³		David Nelson	(916) 319-8479
Hidden Hills	3.5	David Nelson	(916) 319-8479
Industry	14.5	David Nelson	(916) 319-8479
Palos Verde Estates	2.2	David Nelson	(916) 319-8479
Vernon	0	David Nelson	(916) 319-8479

MADERA COUNTY	21.4	Jim Miwa	(916) 319-8483
Chowchilla	19.2	Jim Miwa	(916) 319-8483
MARIPOSA COUNTY	14.8	David Nelson	(916) 319-8479
MENDOCINO COUNTY	15.9	Jim Miwa	(916) 319-8483
Fort Bragg	20.4	Jim Miwa	(916) 319-8483
Point Arena	26.0	Jim Miwa	(916) 319-8483
Ukiah	18.1	Jim Miwa	(916) 319-8483
Willits	14.5	Jim Miwa	(916) 319-8483
MERCED COUNTY	21.7	David Nelson	(916) 319-8479
Atwater	18.7	David Nelson	(916) 319-8479
Dos Palos	22.8	David Nelson	(916) 319-8479
Gustine	16.9	David Nelson	(916) 319-8479
Livingston	25.2	David Nelson	(916) 319-8479
Los Banos	12.1	David Nelson	(916) 319-8479
MODOC COUNTY	21.5	David Nelson	(916) 319-8479
Alturas	27.1	David Nelson	(916) 319-8479
MONO COUNTY	11.5	David Nelson	(916) 319-8479
Mammoth Lakes	14.4	David Nelson	(916) 319-8479
MONTEREY COUNTY	13.5	Jim Miwa	(916) 319-8483
Carmel	6.5	Jim Miwa	(916) 319-8483
Del Rey Oaks	5.0	Jim Miwa	(916) 319-8483
Gonzales	20.2	Jim Miwa	(916) 319-8483
Greenfield	21.6	Jim Miwa	(916) 319-8483
King City	20.8	Jim Miwa	(916) 319-8483
Marina	13.1	Jim Miwa	(916) 319-8483
Pacific Grove	5.4	Jim Miwa	(916) 319-8483
Sand City	27.9	Jim Miwa	(916) 319-8483
Soledad	18.4		
NAPA COUNTY	8.3	Stacy Tyhurst	(916) 522-9355
American Canyon	8.8	Stacy Tyhurst	(916) 522-9355
Calistoga	8.0	Stacy Tyhurst	(916) 522-9355
St. Helena	6.4	Stacy Tyhurst	(916) 522-9355
Yountville	7.3	Stacy Tyhurst	(916) 522-9355
NEVADA COUNTY	8.1	Stacy Tyhurst	(916) 522-9355
Grass Valley	14.9	Stacy Tyhurst	(916) 522-9355
Nevada City	7.9	Stacy Tyhurst	(916) 522-9355

Truckee	4.6	Stacy Tyhurst	(916) 522-9355
ORANGE COUNTY ³			
Aliso Viejo	2.8	David Nelson	(916) 319-8479
San Juan Capistrano	10.7	David Nelson	(916) 319-8479
PLACER COUNTY	5.8	Stacy Tyhurst	(916) 522-9355
Auburn	6.7	Stacy Tyhurst	(916) 522-9355
Colfax	12.0	Stacy Tyhurst	(916) 522-9355
Lincoln	12.4	Stacy Tyhurst	(916) 522-9355
Loomis	3.4	Stacy Tyhurst	(916) 522-9355
Rocklin	4.5	Stacy Tyhurst	(916) 522-9355
PLUMAS COUNTY	13.1	David Nelson	(916) 319-8479
Portola	20.3	David Nelson	(916) 319-8479
RIVERSIDE COUNTY ³		David Nelson	(916) 319-8479
Calimesa	12.2	David Nelson	(916) 319-8479
Coachella	28.9	David Nelson	(916) 319-8479
Indian Wells	3.4	David Nelson	(916) 319-8479
Rancho Mirage	5.9	David Nelson	(916) 319-8479
SAN BENITO COUNTY	10.0	Jim Miwa	(916) 319-8483
Hollister	9.5	Jim Miwa	(916) 319-8483
San Juan Bautista	15.5	Jim Miwa	(916) 319-8483
SAN LUIS OBISPO COUNTY ³		Stacy Tyhurst	(916) 522-9355
Morro Bay	13.0	Stacy Tyhurst	(916) 522-9355
Pismo Beach	9.0	Stacy Tyhurst	(916) 522-9355
SANTA BARBARA COUNTY	14.2	Stacy Tyhurst	(916) 522-9355
Buellton	8.8	Stacy Tyhurst	(916) 522-9355
Carpinteria	10.4	Stacy Tyhurst	(916) 522-9355
Guadalupe	25.0	Stacy Tyhurst	(916) 522-9355
Solvang	6.7	Stacy Tyhurst	(916) 522-9355
SANTA CRUZ COUNTY	11.9	Jim Miwa	(916) 319-8483
Capitola	6.7	Jim Miwa	(916) 319-8483
Scotts Valley	2.5	Jim Miwa	(916) 319-8483
SHASTA COUNTY	15.4	David Nelson	(916) 319-8479
Anderson	28.3	David Nelson	(916) 319-8479
Shasta Lake	20.1	David Nelson	(916) 319-8479

SIERRA COUNTY	11.3	Stacy Tyhurst	(916) 522-9355
Loyalton	18.1	Stacy Tyhurst	(916) 522-9355
SISKIYOU COUNTY	18.6	Jim Miwa	(916) 319-8483
Dorris	19.1	Jim Miwa	(916) 319-8483
Dunsmuir	19.3	Jim Miwa	(916) 319-8483
Etna	19.7	Jim Miwa	(916) 319-8483
Fort Jones	26.0	Jim Miwa	(916) 319-8483
Montague	24.2	Jim Miwa	(916) 319-8483
Mount Shasta	19.4	Jim Miwa	(916) 319-8483
Tulelake	34.6	Jim Miwa	(916) 319-8483
Weed	23.9	Jim Miwa	(916) 319-8483
Yreka	21.2	Jim Miwa	(916) 319-8483
SOLANO COUNTY	8.3	David Nelson	(916) 319-8479
Benicia	4.3	David Nelson	(916) 319-8479
Dixon	8.1	David Nelson	(916) 319-8479
Rio Vista	10.2	David Nelson	(916) 319-8479
Suisun City	6.5	David Nelson	(916) 319-8479
STANISLAUS COUNTY ³		David Nelson	(916) 319-8479
Ceres	12.9	David Nelson	(916) 319-8479
Hughson	19.1	David Nelson	(916) 319-8479
Newman	13.1	David Nelson	(916) 319-8479
Riverbank	12.3	David Nelson	(916) 319-8479
Waterford	12.3	David Nelson	(916) 319-8479
SUTTER COUNTY	15.5	Stacy Tyhurst	(916) 522-9355
Live Oak	30.2	Stacy Tyhurst	(916) 522-9355
TEHAMA COUNTY	17.3	David Nelson	(916) 319-8479
Corning	26.3	David Nelson	(916) 319-8479
Red Bluff	21.1	David Nelson	(916) 319-8479
Tehama	16.6	David Nelson	(916) 319-8479
TRINITY COUNTY	18.7	David Nelson	(916) 319-8479
TULARE COUNTY	23.9	David Nelson	(916) 319-8479
Dinuba	26.2	David Nelson	(916) 319-8479
Exeter	19.4	David Nelson	(916) 319-8479
Farmersville	30.7	David Nelson	(916) 319-8479
Lindsay	39.9	David Nelson	(916) 319-8479
Woodlake	36.8	David Nelson	(916) 319-8479
TUOLUMNE COUNTY	11.4	David Nelson	(916) 319-8479

Sonora	16.9	David Nelson	(916) 319-8479
YOLO COUNTY	18.4	David Nelson	(916) 319-8479
West Sacramento	22.3	David Nelson	(916) 319-8479
Winters	5.0	David Nelson	(916) 319-8479
YUBA COUNTY	20.8	Stacy Tyhurst	(916) 522-9355
Wheatland	19.8	Stacy Tyhurst	(916) 522-9355

Notes:

1. *Figures for County entries are for unincorporated areas only.*
2. *Data source: 2000 Census*
3. *Indicates counties that participate in the HUD CDBG Entitlement Program, and are **not eligible** to compete for funding under the State CDBG Small Cities Program. Only the cities listed under the asterisked counties are eligible to compete for State CDBG funding.*

APPENDIX B

ECONOMIC DEVELOPMENT PROGRAM STAFF

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Jim Miwa, Economic Development Representative
Telephone: (916) 319-8483
Email: jmiwa@hcd.ca.gov

David Nelson, Economic Development Representative
Telephone: (916)
Email: dnelson@hcd.ca.gov

Stacy Tyhurst, Economic Development Representative
Telephone: (916) 552-9355
Email: styhurst@hcd.ca.gov

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APPENDIX C

PUBLIC HEARINGS REQUIREMENT

ABOUT PUBLIC HEARINGS

A public hearing is a public meeting that has been publicly noticed in a local newspaper of general circulation, or noticed in a fashion which otherwise follows local procedures for formal noticing of public hearings. The only public hearing that must be held before the local governing body is the hearing prior to submitting an application for funding to CDBG. Any designated employee or agent of the city or county who is knowledgeable about the program may conduct all other public hearings. **Hearings are required at the following stages of a CDBG grant:**

1. Before Getting a CDBG Grant

- At project design phase
- Before submitting an application for funding.

The Department requires that an adequate amount of time pass between the first and second hearings to insure the public has time to review and comment on eligible activities and proposals. The Department recommends **30 days** between hearing dates.

2. During the Term of a CDBG Contract

- Before making any program amendments involving more than **10 percent** of the total program budget.
- Before making any program amendments that constitute a change in policies, standards, or criteria for program implementation. Examples: changes to rehabilitation program guidelines, changes to economic development plans.
- When adopting or revising a Program Income Re-use Plan.
- Before spending any Program Income revolving loan fund where the expenditure has not been previously noticed to the public as part of the Program Income Re-Use Plan hearing process.
- At the end of each program year, before submitting the annual Grantee Performance Report.

3. At the end of the CDBG contract term

- Before submitting the final Grantee Performance Report and Certificate of Completion.

WHAT TO COVER IN THE PREAPPLICATION HEARINGS

It is important to fully disclose the following information to the public at the public hearings held prior to submitting the application to the Department:

1. At Project Design Phase

At least one public hearing must be held during the time when the jurisdiction is deciding for which local project(s) or activity(s) to apply for CDBG funding. Residents of the area where CDBG funds will be used should be encouraged to participate.

At this hearing, the following information should be offered:

- An explanation of the CDBG program;
- An opportunity for attendees to ask questions and suggest possible uses of funds;
- Information about the amount of funding available, the range of possible activities that may be undertaken with CDBG funds, and the opportunities for citizen involvement as the program progresses;
- Discussion of the national objective of benefit to Targeted Income Group (TIG) persons or other national objective;
- Information about plans to minimize displacement that may occur as a result of grant funding;
- Information that any assessments resulting from a CDBG-funded project will not be paid by members of the lowest Targeted Income Group and whether Targeted Income Group households who benefit from the project must pay any assessments;
- An invitation for written comments and how to submit such comments; and
- Information about the availability of technical assistance to groups representing TIG persons that request such assistance in developing proposals

2. Before Submitting an Application for Funding

After the application has been prepared, and before it is submitted to the Department, the jurisdiction must hold a second hearing. At this time, the same information in the first six items listed above should be covered. In addition, the jurisdiction should:

- Fully describe the proposed activity(s) in the application;
- Provide information about the amount of funding that is being requested;
- Describe where each activity will be carried out and how it will meet the national objective of benefit to TIG persons;
- Provide information on the estimated time schedule to accomplish the activity; and
- Provide opportunity for attendees to comment on the program, subject to the applicant's normal rules governing public hearings.

3. NOTICING REQUIREMENTS

All hearings should be noticed as widely as possible and held at a time and place convenient to the public, with accommodations for persons with disabilities. Where a significant number of non-English persons can reasonably be expected to participate, the notice must be in the appropriate language(s) and provision should be made for interpreters at the hearing. Public notices always should contain the following information:

- The time and place of the hearing.
- The availability of a public information file about the CDBG program.
- Ann invitation to submit written comments and guidance on where to send such comments.

In addition to the information above, specific public hearings require specific information in the public notice.

At the **Project Design Stage**, the Public Notice should contain information about

- The amount of CDBG funds available.
- The kinds of activities that are eligible for funding.

At the **Application Submittal Phase**, the Public Notice should contain information about:

- The application's dollar amount.
- The activities being proposed.
- A relocation plan, if residents will be relocated as a result of the proposed activity.

When any changes are made or actions are taken during the term of the grant that have not already been disclosed to the public, the notice should include:

- **Information about the action being taken.**

Before submitting the final Grantee Performance Report **at the end of the CDBG contract term**, the notice should include:

- **Notice that the accomplishments under the grant will be disclosed.**

RECORDKEEPING

The applicant/grantee should keep a record of all public hearings. The record should contain copies of the Public Notices, minutes of the hearings documenting that the contents of the Notice were discussed at the hearing, and a list of attendees. Attendees are not required to sign a sign-in sheet, but the file should show that a list was made available for sign-in at the start of the hearing. If attendees were present but did not sign or if no one attended, the file should so indicate.

DECISIONS REGARDING APPLICATION CONTENTS/GRIEVANCES AND COMPLAINTS

The local governing body has the sole discretion of deciding the contents of an application for funding. Any allegations made by any resident of the community that the procedural or legal requirements of the program are being violated should be thoroughly investigated. Any written complaints and grievances must receive a written response within 15 days where practicable.

SAMPLE NOTICE

A sample Public Notice for use at the project design stage follows on the next page.

SAMPLE (Design Phase)

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City of _____ will conduct a public hearing by the City Council on Tuesday, July 12, 2005, at 8:00 p.m. at the City Hall Conference Room, _____ Street, to discuss the Fiscal Year 2005-2006 Community Development Block Grant program and to solicit citizen input.

Maximum award limits include a total of \$ _____ per year from the General\Native American and Economic Development Components combined. Up to \$500,000 per application per year may be awarded from the General and Economic Development Components. Grants up to \$35,000 per year from the General Planning and Technical Assistance allocation and \$35,000 per year for Economic Development Planning and Technical Assistance allocation may be awarded and do not count toward the \$ _____ cap. The Native American allocation is available for eligible activities in areas with concentrations of Native American Indians not federally recognized as an Indian tribe or rancheria. The amount of Native American funds available varies each year, and a grant from this allocation does not count toward the \$ _____ cap.

The major activity categories are Housing-New Construction, Housing-Acquisition, Housing-Rehabilitation, Community Facilities/Public Services, Public Works, and Economic Development. Projects funded with CDBG allocations must carry out at least one of three National Objectives, as follows: Benefit to Targeted Income Group (TIG) persons, elimination of slums and blight, and meeting urgent community development needs.

The Community Development/Housing Department on behalf of the City/County of _____ anticipates applying for the maximum grant amount of \$800,000 under the General\Native American and Economic Development Components, as well as the maximum grant amount of \$70,000 from the General and Economic Development Planning and Technical Assistance Components.

The purpose of the public hearing will be to give citizens an opportunity to make their comments known. If you are unable to attend the public hearing, you may direct written comments to the City of _____, Community Development/Housing Department, _____ Street, _____, CA 95____ or you may telephone _____. In addition, information may be obtained at the above address between the hours of 8:00 a.m. and 5:00 p.m. on weekdays.

The City/County promotes fair housing and makes all programs available to low and moderate income families regardless of age, race, color, religion, sex, national origin, sexual preference, marital status, disability or handicap.

SAMPLE (Submittal Phase)

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City/County of _____ will conduct a public hearing by the City Council/Board of Supervisors on ____ (day, Month date, year), at (time) at the (meeting place), located at (address of meeting place) Street, to the discuss the Fiscal Year 2005-06 Enterprise Fund Community Development Block Grant application and to solicit citizen input.

The City/County of _____ is applying for the maximum grant amount of \$ _____ under the Economic Development Allocation for 2005-06 Enterprise Fund for _____, _____, and _____ activities.

The purpose of the public hearing will be to give citizens an opportunity to make their comments known. If you are unable to attend the public hearing, you may direct written comments to the City of _____, Community Development/Housing Department, _____ Street, _____, CA 95_____ or you may telephone _____. In addition, information may be obtained at the above address between the hours of 8:00 a.m. and 5:00 p.m. on weekdays.

The City/County promotes fair housing and makes all programs available to low and moderate income families regardless of age, race, color, religion, sex, national origin, sexual preference, marital status, or handicap.