

State Community Development Block Grant Program
Economic Development Allocation

NOTICE OF FUNDING AVAILABILITY

CALIFORNIA COMMUNITY ECONOMIC ENTERPRISE FUND COMPONENT
July 1, 2007 through June 30, 2008



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

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STATE OF CALIFORNIA

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SECTION 1

1.1 NOTICE OF FUNDING AVAILABILITY (NOFA)

The Department of Housing and Community Development (Department) announces the availability of approximately \$4.5 million in State Community Development Block Grant (CDBG) funding. Eligible CDBG jurisdictions may submit an application for a maximum grant of \$500,000 from the 2007-08 California Community Economic Enterprise Fund (Enterprise Fund) Component of the Economic Development Allocation.

Please contact your State Economic Development Representative (see Appendix A) if you have any questions about the NOFA. You may also contact the CDBG Program Secretary at (916) 552-9363 or visit the State Enterprise and Economic Development Section (SEEDS) website at <http://www.hcd.ca.gov/fa/cdbg> for additional information.

Authorizing Legislation and Regulations

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

Application Due Dates

APPLICATION ITEM	KEY DUE DATES
NOFA Release	October 26, 2007
Application Release	October 26, 2007
Final Filing Date	January 7, 2008
Housing Element Compliance Deadline	March 7, 2008
Award Announcement	March 24, 2008

All applications must be received at 5:00 p.m. by the Department on January 7, 2008. Postmarks will not be accepted. Applications may be delivered in person or mailed to the following address:

State Community Development Block Grant Program
California Department of Housing and Community Development
1800 Third Street, Room 330, Sacramento, CA 95811
Attn: 2007-2008 Enterprise Fund Application

Please call (916) 552-9363 to have the Program Secretary accept your application if you are hand delivering your application to HCD.

Number of Copies:

The Applicant will submit one (1) original and two (2) copies. Each original and copy will be placed in a three-ringed binder with index tabs separating all sections, and pages must be numbered.

Enterprise Fund Application Information

Enterprise Fund applications can be obtained in the following ways:

1. Contact your state Economic Development Representative (see Appendix B).
2. Contact the Economic Development Program Secretary at (916) 552-9363 or via e-mail at lsekas@hcd.ca.gov.
3. Download an electronic version of the application via the HCD website at <http://www.hcd.ca.gov/fa/cdbq/funds/>.

The Enterprise Fund NOFA and application contains all the required instructions, information and forms to complete an application for submission by the applicant.

Enterprise Fund Application Workshops:

The Department will conduct information workshops at several locations throughout the State beginning in late October 2007. These workshops will be held after the release of the NOFA. Each workshop will include a presentation covering application preparation and staff will be present to answer any questions that applicants may have.

Prior to attending an Enterprise Fund Application Workshop, eligible applicants should review this NOFA and the application, and bring these materials to the workshop. Applicants will be notified about workshop dates, times, and locations via the HCD website and e-mail. If you want to be placed on or are unsure whether you are on the CDBG mail list, please contact your Economic Development Representative or the Program Secretary.

Uses of Funds

Under the Enterprise Fund Component, CDBG grants are competitively awarded to jurisdictions. Jurisdictions may use the funds to support the following programs:

1. Business Assistance Loans
2. Microenterprise Technical Assistance and Loans

Activities that are eligible for funding are listed in Section 2 under Eligible Activities on page 5. The Department reserves grant funds for use by the grantees with individual funding decisions being made by the jurisdictions consistent with their application and CDBG program guidelines. Individual project funding decisions are made by the jurisdiction.

1.2 IMPORTANT CDBG INFORMATION FOR ALL APPLICANTS

Applicants should read the following CDBG program information and comply with these guidelines and requirements in operating their existing or future grants;

1. 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. The 2007-08 Enterprise Fund has set a maximum award limit of \$500,000 per application. The most competitive applicant is one who demonstrates through past performance that it has successfully and efficiently operated a similar CDBG Enterprise Fund Program.
2. All applicants are required to submit a current local economic development plan (Plan) that will be used to evaluate, and rate and rank each applicant's application. A Plan must have been locally adopted and is considered current if it is not older than five years old. If a Plan is five years or older, the applicant must submit the most current Plan in addition to a detailed description of the current local economic conditions in the community and the specific need for CDBG funding to support local economic development programs, businesses and jobs.
3. Microenterprise Assistance Programs may only assist targeted income group (TIG) clients with CDBG funds.
4. Jurisdictions must submit all business loans including microenterprise loans to the state for approval before funds may be disbursed by the jurisdiction. Jurisdictions making loans from a Program Income Revolving Loan Account must also submit their loans to the state for approval before funds may be disbursed.
5. 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 7, 2008. Jurisdictions not in compliance at that time will not be eligible to be awarded funds nor receive roll-over funds.
6. Under the Business Assistance Activity, full back-up documentation of employee income is no longer required. Self-Certifications are sufficient when prepared by the employee.
7. Each business provided assistance under the Business Assistance Activity must demonstrate that the assistance provided meets minimum federal public benefit standards. The "public benefit" standards utilize the \$35,000 cost per job or the \$350 cost per Targeted Income Group (TIG) person served. "Gap financing" will no longer be used to underwrite business and microenterprise loans.
8. Applicants are subject to various HUD overlay requirements. These include but are not limited to: citizen participation, environmental review, and procurement of services. Please refer to the application and the most recent CDBG Grant Management Manual for information on national objectives and HUD overlay requirements.

1.3 APPLICATION REVIEW PROCESS

Each application will be first reviewed for “completeness.” In order for an application to be considered “complete,” it must contain all the required information described in the application. Complete applications will then be “rated and ranked” according to the criteria described on the Application Evaluation, Criteria and Point Scoring table found on page 9. If the application is incomplete, it will not be rated or ranked. Applicants will be informed with a written explanation of the deficiencies within 30 days.

Award Decision

The CDBG Program will submit its recommendation for funding to the Director of the Department based on the applications that were “rated and ranked.” The Director's final funding decision is made approximately 80 days from the final application filing date.

Awards Processing

All applications that are to be funded 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 must be cleared within 90 days of the state's execution of the Agreement (stamped approval date). If special 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.

SECTION 2

2.1 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 is not eligible to 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 is not eligible to participate because it is entitled to receive CDBG funds directly from HUD.

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

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 Economic Development Representative for guidance.

2.2 ELIGIBLE ACTIVITIES

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

Business Assistance – Business Loans and infrastructure Grants:

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 guarantees (business/developer); and
8. Grants for publicly owned infrastructure/off-site improvements.

Microenterprise Assistance:

1. Technical assistance and training;
2. General support such as transportation, day care; and
3. Microenterprise loans.

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

2.3 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 percent of the jobs created or retained under a Business Assistance grant must be filled by members of the TIG. The TIG, 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. The TIG is 80 percent and below of the adjusted county median family income. LTIG is 50 percent 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 TIG 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 percent 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 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. If you do not know the status of your housing element, call Paul McDougall at (916) 322-7995 to verify compliance.

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 that 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.

SECTION 3

3.1 APPLICATION EVALUATION CRITERIA AND POINT SCORING

An acceptable Application contains one of the following: Business Assistance Program, Microenterprise Assistance Program, or a combined application that includes both a Business Assistance Program and Microenterprise Assistance Program. A combined Application will be scored using a weighted average calculation under rating and ranking.

Each application will be evaluated and scored, assigned a numerical score, and then ranked against all the other applications that have been scored. A maximum score of 100 points is assigned according to the following criteria. Points are allocated as follows:

EVALUATION CRITERION	POINTS
Need for Program:	30 Total Points
Relative Poverty Index	15 Points
Relative Unemployment Index	10 Points
Adverse Economic Event	5 Points
Local Program Capacity:	50 Total Points
Performance on Past CDBG ED Grants	20 Points
Relative Strength of Basis Program design	10 Points
Relative Experience of Program Operators	10 Points
Other Local Organizational Support	10 Points
Program Effectiveness:	20 Total Points
Commitment of Other (non-state, non-federal) Funding Sources	10 Points
Extent to Which Program Complements Local or Regional Economic Development Plan	10 Points
MAXIMUM TOTAL POINTS	100 Points

GENERAL ADMINISTRATION COSTS

Grantees are limited to 7.5 percent of the total grant amount for General Administration expenses. In addition, grantees are allowed up to 15 percent 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 hearing 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. State CDBG Economic Development Contact Information

Appendix B. 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 C. Public Hearings Requirement

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APPENDIX A

STATE CDBG ECONOMIC DEVELOPMENT CONTACT INFORMATION

Mimi Bettencourt, Economic Development Program Manager
Telephone: (916) 319-8400
Email: mbettencourt@hcd.ca.gov

Lynne Sekas, CDBG Program Secretary
Telephone: (916) 552-9363
E-mail: lsekas@hcd.ca.gov

John Almanza, Economic Development Representative
Telephone: (916) 323-1450
Email: jalmanza@hcd.ca.gov

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

David Nelson, Economic Development Representative
Telephone: (916) 319-8479
Email: dnelson@hcd.ca.gov

Patrick Talbott, Economic Development Representative
Telephone: (916) 552-9361
Email: ptalbott@hcd.ca.gov

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APPENDIX B

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

JURISDICTION	PERSONS IN POVERTY²	FIELD REPRESENTATIVE	TELEPHONE
ALPINE COUNTY¹	19.5	David Nelson	(916) 319-8479
AMADOR COUNTY	9.2	Patrick Talbott	(916) 552-9361
Amador City	22.9	Patrick Talbott	(916) 552-9361
Ione	11.0	Patrick Talbott	(916) 552-9361
Jackson	8.3	Patrick Talbott	(916) 552-9361
Plymouth	10.4	Patrick Talbott	(916) 552-9361
Sutter Creek	7.8	Patrick Talbott	(916) 552-9361
BUTTE COUNTY	19.8	Patrick Talbott	(916) 552-9361
Biggs	7.9	Patrick Talbott	(916) 552-9361
Gridley	23.3	Patrick Talbott	(916) 552-9361
Oroville	33.1	Patrick Talbott	(916) 552-9361
CALAVERAS COUNTY	11.8	Patrick Talbott	(916) 552-9361
Angels Camp	13.0	Patrick Talbott	(916) 552-9361
COLUSA COUNTY	16.1	Jim Miwa	(916) 319-8483
Colusa	17.2	Jim Miwa	(916) 319-8483
Williams	19.2	Jim Miwa	(916) 319-8483
DEL NORTE COUNTY	20.2	Patrick Talbott	(916) 552-9361
Crescent City	34.6	Patrick Talbott	(916) 552-9361
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
FRESNO³			
Firebaugh	22.5	Patrick Talbott	(916) 552-9361
Fowler	21.5	Patrick Talbott	(916) 552-9361
Huron	39.4	Patrick Talbott	(916) 552-9361
Orange Cove	44.5	Patrick Talbott	(916) 552-9361
Parlier	36.0	Patrick Talbott	(916) 552-9361
San Joaquin	34.6	Patrick Talbott	(916) 552-9361
GLENN COUNTY	18.1	Patrick Talbott	(916) 552-9361
Orland	19.0	Patrick Talbott	(916) 552-9361
Willows	24.6	Patrick Talbott	(916) 552-9361

HUMBOLDT COUNTY	19.5	Patrick Talbott	(916) 552-9361
Arcata	32.2	Patrick Talbott	(916) 552-9361
Blue Lake	11.1	Patrick Talbott	(916) 552-9361
Eureka	23.7	Patrick Talbott	(916) 552-9361
Ferndale	7.1	Patrick Talbott	(916) 552-9361
Fortuna	17.4	Patrick Talbott	(916) 552-9361
Rio Dell	23.1	Patrick Talbott	(916) 552-9361
Trinidad	8.8	Patrick Talbott	(916) 552-9361
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 COUNTY³		John Almanza	(916) 323-1450
Delano	28.2	John Almanza	(916) 323-1450
Taft	17.5	John Almanza	(916) 323-1450
Wasco	27.5	John Almanza	(916) 323-1450
KINGS COUNTY	19.5	Patrick Talbott	(916) 552-9361
Avenal	30.7	Patrick Talbott	(916) 552-9361
Corcoran	26.9	Patrick Talbott	(916) 552-9361
Lemoore	13.4	Patrick Talbott	(916) 552-9361
LAKE COUNTY	17.6	Jim Miwa	(916) 319-8483
Clearlake	28.6	Jim Miwa	(916) 319-8483
Lakeport	15.7	Jim Miwa	(916) 319-8483
LASSEN COUNTY	14.0	David Nelson	(916) 319-8479
Susanville	14.3	David Nelson	(916) 319-8479
LOS ANGELES COUNTY³		Jim Miwa	(916) 319-8483
Hidden Hills	3.5	Jim Miwa	(916) 319-8483
Industry	14.5	Jim Miwa	(916) 319-8483
Palos Verde Estates	2.2	Jim Miwa	(916) 319-8483
Vernon	0	Jim Miwa	(916) 319-8483
MADERA COUNTY	21.4	John Almanza	(916) 323-1450
Chowchilla	19.2	John Almanza	(916) 323-1450
MARIPOSA COUNTY	14.8	Patrick Talbott	(916) 552-9361

MENDOCINO COUNTY	15.9	John Almanza	(916) 323-1450
Fort Bragg	20.4	John Almanza	(916) 323-1450
Point Arena	26.0	John Almanza	(916) 323-1450
Ukiah	18.1	John Almanza	(916) 323-1450
Willits	14.5	John Almanza	(916) 323-1450
MERCED COUNTY	21.7	John Almanza	(916) 323-1450
Atwater	18.7	John Almanza	(916) 323-1450
Dos Palos	22.8	John Almanza	(916) 323-1450
Gustine	16.9	John Almanza	(916) 323-1450
Livingston	25.2	John Almanza	(916) 323-1450
Los Banos	12.1	John Almanza	(916) 323-1450
MODOC COUNTY	21.5	John Almanza	(916) 323-1450
Alturas	27.1	John Almanza	(916) 323-1450
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	John Almanza	(916) 323-1450
American Canyon	8.8	John Almanza	(916) 323-1450
Calistoga	8.0	John Almanza	(916) 323-1450
St. Helena	6.4	John Almanza	(916) 323-1450
Yountville	7.3	John Almanza	(916) 323-1450
NEVADA COUNTY	8.1	John Almanza	(916) 323-1450
Grass Valley	14.9	John Almanza	(916) 323-1450
Nevada City	7.9	John Almanza	(916) 323-1450
Truckee	4.6	John Almanza	(916) 323-1450
ORANGE COUNTY³			
Aliso Viejo	2.8	Jim Miwa	(916) 319-8483
San Juan Capistrano	10.7	Jim Miwa	(916) 319-8483
PLACER COUNTY	5.8	John Almanza	(916) 323-1450
Auburn	6.7	John Almanza	(916) 323-1450
Colfax	12.0	John Almanza	(916) 323-1450
Lincoln	12.4	John Almanza	(916) 323-1450

Loomis	3.4	John Almanza	(916) 323-1450
Rocklin	4.5	John Almanza	(916) 323-1450
PLUMAS COUNTY	13.1	David Nelson	(916) 319-8479
Portola	20.3	David Nelson	(916) 319-8479
RIVERSIDE COUNTY³		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 COUNTY³		David Nelson	(916) 319-8479
Morro Bay	13.0	David Nelson	(916) 319-8479
Pismo Beach	9.0	David Nelson	(916) 319-8479
SANTA BARBARA COUNTY	14.2	David Nelson	(916) 319-8479
Buellton	8.8	David Nelson	(916) 319-8479
Carpinteria	10.4	David Nelson	(916) 319-8479
Guadalupe	25.0	David Nelson	(916) 319-8479
Solvang	6.7	David Nelson	(916) 319-8479
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	John Almanza	(916) 323-1450
Loyalton	18.1	John Almanza	(916) 323-1450
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	John Almanza	(916) 323-1450
Benicia	4.3	John Almanza	(916) 323-1450
Dixon	8.1	John Almanza	(916) 323-1450
Rio Vista	10.2	John Almanza	(916) 323-1450
Suisun City	6.5	John Almanza	(916) 323-1450
STANISLAUS COUNTY³		John Almanza	(916) 323-1450
Ceres	12.9	John Almanza	(916) 323-1450
Hughson	19.1	John Almanza	(916) 323-1450
Newman	13.1	John Almanza	(916) 323-1450
Riverbank	12.3	John Almanza	(916) 323-1450
Waterford	12.3	John Almanza	(916) 323-1450
SUTTER COUNTY	15.5	John Almanza	(916) 323-1450
Live Oak	30.2	John Almanza	(916) 323-1450
TEHAMA COUNTY	17.3	Patrick Talbott	(916) 552-9361
Corning	26.3	Patrick Talbott	(916) 552-9361
Red Bluff	21.1	Patrick Talbott	(916) 552-9361
Tehama	16.6	Patrick Talbott	(916) 552-9361
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	Patrick Talbott	(916) 552-9361
Sonora	16.9	Patrick Talbott	(916) 552-9361
YOLO COUNTY	18.4	Patrick Talbott	(916) 552-9361
West Sacramento	22.3	Patrick Talbott	(916) 552-9361
Winters	5.0	Patrick Talbott	(916) 552-9361
YUBA COUNTY	20.8	John Almanza	(916) 323-1450
Wheatland	19.8	John Almanza	(916) 323-1450

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 C

PUBLIC HEARINGS REQUIREMENT

ABOUT PUBLIC HEARINGS

Purpose: To inform citizens of the jurisdictions of an opportunity to apply for federal funding.

To obtain citizen input on what CDBG economic development activities should be included in the funding proposal to the Department.

Action needed: Public notices, public hearings, and public meeting documentation are required with the Application.

CITIZEN PARTICIPATION

The Applicant should provide an opportunity to participate to all persons who may be affected by the proposed activities, especially TIG persons.

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 that 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 the Department. 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 an EF grant:

Prior to receiving a State CDBG grant

1. At project design phase, a public hearing must be held no later than 12 months prior to NOFA release. The hearing should be held at least 30 days prior to the application submittal hearing date to allow adequate time for meaningful public comment. The public hearing notice should be published 10 days prior to the meeting. See Chapter 18 of current state CDBG Grant Management Manual for noticing requirements.
2. Prior to submittal of an application for funding, a second public hearing must be noticed 10 days prior to the meeting.

Hearings During a State CDBG Contract

The grantee will be required to conduct additional public hearings during the grant for the following reasons:

1. To commit additional PI to a grant activity.

2. If project implementation activities occur under the grant then a Grantee Performance Report needs to be submitted as part of grant close out.
3. Prior to submitting the Final Product of the grant activity and the closeout package, a copy of this notice must be submitted to the Department in order to close out the grant.

Pre-application Hearing

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. Samples are given below and copies of the notices must be included in the planning grant application.

1. **At project design phase:** At least one public hearing must be held during the time when the applicant is deciding which local project(s) or activity(s) to apply for funding. All residents, especially of the areas where funds will be used, should be encouraged to participate. At this hearing, the following information must 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 TIG project will not be paid by members of the lowest TIG and whether TIG households who benefit from the project must pay any assessments
 - An invitation for written comments and how to submit such comments
 - Information about the availability of technical assistance to groups representing TIG persons that request such assistance in developing proposals.
2. **Prior to 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 or other national objective.
- Provide information on the estimated time schedule to accomplish the activity.
- Provide opportunity for attendees to comment on the program, subject to the applicant's normal rules governing public hearings.
- State the amount of cash match required and the source of the cash match.

Noticing Requirements

All hearings should be noticed as widely as possible and held at a time and place convenient to the public, with accommodations made for persons with disabilities. Where a significant number (25 percent or more of local population) 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. Hearing must be noticed 10 days prior to being conducted (unless local policies have different requirements) and the design and application public hearings should be at least 30 days apart. Lastly, the two public hearings should be within 12 months of the application submittal. 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, and
- an 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.

1. At the **project design stage**, the Public Notice is required to contain information about:

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

2. At the **application submittal phase**, the Public Notice is required to contain information about:

- the application's dollar amount,
- the activities being proposed, including both General and ED activities as applicable, and
- a relocation plan, if residents will be relocated as a result of the proposed activity.

3. 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

4. Before submitting the Final Product of the PTA activity and the closeout package **at the end of the state CDBG contract term**, the notice should include:

- notice that the accomplishments under the grant will be disclosed.

Record Keeping

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. We recommend reading the contents of the notice into the minutes to ensure that all items are discussed. 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 Content/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 Notices

Sample Public Notices for use at the grant design stage and the application submittal stage are provided on page 24 and 27. Copies of the affidavits of publication (or if posted then copies must be certified by city/county clerk) must be included in the application.

SAMPLE NOTICE OF PUBLIC HEARING FOR DESIGN PHASE

Notice of Public Hearing for Discussion of Possible State CDBG Applications

NOTICE IS HEREBY GIVEN that a public hearing will be held on _____, _____, 2007 at 7:00 p.m., city _____ or county _____ Chambers, _____ Street, _____, CA, _____ in order to discuss possible applications for funding under the next fiscal year's State Community Development Block Grant (CDBG) Program and to solicit citizen input on possible activities to be included in these applications.

The General and Economic Development Allocations of the State CDBG program publish Notices of Funding Availability (NOFAs) each program year (July 1 to June 30). Eligible cities and counties may submit applications for CDBG funds under these NOFAs. The maximum amount of funding available is described in the NOFA. Typically, up to \$500,000 is available under the General Allocation NOFA each year. Typically, up to \$500,000 is available under the Economic Development Enterprise Allocation each year. Also, the Economic Development Over-the-Counter Allocation can award up to \$2,500,000 per year. Each year Planning and Technical Assistance Grants up to \$70,000 under the General Component and \$70,000 from the Economic Development Component are awarded on a "first come first served basis". The Department issues two small NOFAs each year under the Native American and Colonia's Allocations. The Native American Allocation is only for areas where concentrations of low income Native Americans live, who are not part of a federally recognized Indian tribe or Rancheria. The Colonia's funding is only for designated communities within 150 miles of the Mexican American border.

Eligible activities under the above allocations and NOFAs consist of: housing-new construction projects; housing acquisition and housing rehabilitation programs; community facility and public work projects; public service programs and planning studies. Economic development programs and projects are also eligible along with planning activities. Eligible activities paid for with State CDBG funds must meet one or more of the three national objectives listed in CDBG federal statutes as follows: benefit to low income households or persons; elimination of slums and blight; or meeting urgent community development need (a need from a state or federally declared disaster).

The city/county of _____ anticipates submitting applications under one or more of the State CDBG NOFAs published during the next program year. Applications are anticipated under the General and Economic Development Components as well as the Planning and Technical Assistance Components. A separate public hearing will be held to discuss and approve each proposed application prior to submittal to the State.

The purpose of this public hearing will be to give citizens an opportunity to make their comments known regarding what types of eligible activities the City should be applying for under the State CDBG program. If you are unable to attend the public hearing, you may direct written comments to the City of _____, city/county _____, at the address listed above or P.O. Box _____, or you may telephone (____) _____-____. In addition, information is available for review at the above address between the hours of 8:00 a.m. and 5:00 p.m. on weekdays.

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

SAMPLE NOTICE OF PUBLIC HEARING FOR APPLICATION SUBMITTAL

NOTICE IS HEREBY GIVEN that the city/county of _____ will conduct a public hearing by the city council/county board on _____, 2007, at 8:00 p.m. at the city/county council/board room, _____ Street, to discuss the Fiscal Year 2007-08 Community Development Block Grant (CDBG) Planning and Technical Assistance (General Allocation and/or Economic Development) application and to solicit citizen input.

The _____ department on behalf of the city/county of _____ is applying for the maximum grant amount of \$70,000 under the Planning and Technical Assistance Grant (General Allocation and Economic Development) for the eligible 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/county of _____, _____ department, _____ Street, _____, CA _____ or you may telephone Mr./Ms. _____ at () _____ with questions or comments. In addition, a CDBG public information file may be obtained at the above address between the hours of 8:00 a.m. and 5:00 p.m. on weekdays to find out more information about the CDBG program.

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, familial status (children), or handicap.

Published _____, 2007

PUBLIC INFORMATION FILE REQUIREMENTS

Applications and grant agreements are public information and are available for review by the public. Applicants are advised that information submitted to the Department 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.

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