

State Community Development Block Grant Program  
Economic Development Allocation

## **NOTICE OF FUNDING AVAILABILITY**

**CALIFORNIA COMMUNITY ECONOMIC ENTERPRISE FUND COMPONENT**  
**Fiscal Year July 1, 2008 through June 30, 2009**



**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)**

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**STATE OF CALIFORNIA**

**ARNOLD SCHWARZENEGGER, GOVERNOR**

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

**DALE BONNER, SECRETARY**

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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 **\$2.8 million** in State Community Development Block Grant (CDBG) funding. Eligible CDBG jurisdictions may submit an application for a maximum grant of **\$300,000** from the 2008-2009 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 MeLisa Adams, Program Administrative Assistant at (916) 552-9362 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**

NOFA Release	October 8, 2008
Application Release	October 8, 2008
<b>Final Filing Date</b>	<b>December 18, 2008</b>
Housing Element Compliance Deadline	February 10, 2009
Award Announcement	March 6, 2009

**The Department must receive all applications by 5:00 p.m. on December 18, 2008. Postmarks will not be accepted.** Applications may be delivered in person or by mail 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: 2008-2009 Enterprise Fund Application

Please call (916) 552-9362 to have the Program Administrative Assistant 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 should be placed in a three-ringed binder and index tabs must separate all sections in the application. **All pages in the Application 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 Program Administrative Assistant at (916) 552-9363 or via e-mail at [madams@hcd.ca.gov](mailto:madams@hcd.ca.gov).
3. Download an electronic version of the application via the HCD website at <http://www.hcd.ca.gov/fa/cdbg/funds/>.

The Enterprise Fund NOFA, and Application and Supplemental Information contain 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 starting in October 2008 at several locations throughout the State. 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 Administrative Assistant.

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 questions. Prior to attending an Enterprise Fund Application Workshop, eligible applicants should review this NOFA and the application materials. Applicants are advised to bring these materials to the workshop.

## **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 2008-2009 Enterprise Fund has set a maximum award limit of \$300,000 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. Eligible applicants are CDBG jurisdictions (see Appendix A) who have not been notified by the State CDBG Program that they are ineligible to participate or are being "held-out" due to performance findings that have not been cleared/resolved by the jurisdiction for the year 2007. Jurisdictions should contact their CDBG Economic Development Representative if you have questions concerning your eligibility or "hold-out" status.
3. Applicants may use CDBG funds to create a Façade Improvement Program under their Microenterprise Assistance Program. The purpose of the Façade Improvement Program is to allow eligible microenterprise businesses to borrow CDBG funds to improve the appearance of the exterior façade where the business is located. The goal of the resulting building façade improvements is to create a positive downtown business environment.

Under this program a microenterprise business, with the consent of the property owner, may borrow CDBG funds to make exterior improvements to that part of a commercial building where the primary entrance to the business is located. Examples of exterior improvements that are eligible under this program include the following: painting the exterior facade, replacement/refurbishing of doors, windows, decorative stone, awnings, signage, and lighting. CDBG funds may not be used for improvements to the interior of the business or improvements to landscaping, sidewalks, or walkways. CDBG jurisdictions are responsible for developing guidelines defining what types of exterior façade improvements are eligible for funding and should contact the State CDBG Representative for questions.

Applicants who wish to conduct a Façade Improvement Program will need to update their Microenterprise Program Guidelines and include a copy of the updated guidelines in their 2008-2009 Enterprise Fund Application. Applicants

shall provide a description of the Façade Improvement Program that includes the program's structure, management and staffing; public noticing and reporting requirements; procedures for approving, documenting, closing, and servicing a façade loan transaction; and procedures for establishing and maintaining files for recordkeeping.

4. 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 5 years old.** If a Plan is 5 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.
5. Microenterprise Assistance Programs may only assist Targeted Income Group (TIG) clients with CDBG funds.
6. 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.
7. 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 February 10, 2008. Jurisdictions not in compliance at that time will not be eligible to be awarded funds nor receive roll-over funds.
8. 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.
9. 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.
10. 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 page 11, Application Evaluation, Criteria and Scoring. Incomplete applications will not be rated or ranked and 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.

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## 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.
4. Façade Program

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% of the jobs created or retained under a Business Assistance 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 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 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.

## 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
<b>Need for Program:</b>	<b>30 Total Points</b>
Relative Poverty Index	15 Points
Relative Unemployment Index	10 Points
Adverse Economic Event	5 Points
<b>Local Program Capacity:</b>	<b>50 Total Points</b>
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
<b>Program Effectiveness:</b>	<b>20 Total Points</b>
Commitment of Other (non-state, non-federal) Funding Sources	10 Points
Extent to Which Program Complements Local or Regional Economic Development Plan	10 Points
<b>MAXIMUM TOTAL POINTS</b>	<b>100 Points</b>

### 3.2 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).

### **3.3 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.

### **3.4 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.

### **3.5 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](mailto:mbettencourt@hcd.ca.gov)

MeLisa Adams, CDBG Program Administrative Assistant  
Telephone: (916) 552-9362  
E-mail: [madams@hcd.ca.gov](mailto:madams@hcd.ca.gov)

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

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

Jon Diedesch, Economic Development Representative  
Telephone: (916) 319-8402  
Email: [jdiedesch@hcd.ca.gov](mailto:jdiedesch@hcd.ca.gov)

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

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## APPENDIX B

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

<b>JURISDICTION</b>	<b>PERSONS IN POVERTY<sup>2</sup></b>	<b>FIELD REPRESENTATIVE</b>	<b>TELEPHONE</b>
<b>ALPINE COUNTY<sup>1</sup></b>	<b>19.5</b>	John Almanza	(916) 323-1450
<b>AMADOR COUNTY</b>	<b>9.2</b>	Patrick Talbott	(916) 552-9361
Amador City	22.9	Patrick Talbott	(916) 552-9361
lone	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
<b>BUTTE COUNTY</b>	<b>19.8</b>	Patrick Talbott	(916) 552-9361
Biggs	17.5	Patrick Talbott	(916) 552-9361
Gridley	23.3	Patrick Talbott	(916) 552-9361
Oroville	33.1	Patrick Talbott	(916) 552-9361
<b>CALAVERAS COUNTY</b>	<b>11.8</b>	Jon Diedesch	(916) 319-8402
Angels Camp	13.0	Jon Diedesch	(916) 319-8402
<b>COLUSA COUNTY</b>	<b>16.1</b>	Jon Diedesch	(916) 319-8402
Colusa	17.2	Jon Diedesch	(916) 319-8402
Williams	19.2	Jon Diedesch	(916) 319-8402
<b>DEL NORTE COUNTY</b>	<b>20.2</b>	Patrick Talbott	(916) 552-9361
Crescent City	34.6	Patrick Talbott	(916) 552-9361
<b>EL DORADO COUNTY</b>	<b>7.1</b>	Jim Miwa	(916) 319-8483
Placerville	12.1	Jim Miwa	(916) 319-8483
South Lake Tahoe	12.5	Jim Miwa	(916) 319-8483
<b>FRESNO<sup>3</sup></b>			
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

<b>GLENN COUNTY</b>	<b>18.1</b>	Patrick Talbott	(916) 552-9361
Orland	19.0	Patrick Talbott	(916) 552-9361
Willows	24.6	Patrick Talbott	(916) 552-9361
<b>HUMBOLDT COUNTY</b>	<b>19.5</b>	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
<b>IMPERIAL COUNTY</b>	<b>22.6</b>	Jon Diedesch	(916) 319-8402
Brawley	26.6	Jon Diedesch	(916) 319-8402
Calexico	25.7	Jon Diedesch	(916) 319-8402
Calipatria	24.2	Jon Diedesch	(916) 319-8402
Holtville	18.2	Jon Diedesch	(916) 319-8402
Imperial	11.6	Jon Diedesch	(916) 319-8402
Westmorland	27.2	Jon Diedesch	(916) 319-8402
<b>INYO COUNTY</b>	<b>12.6</b>	John Almanza	(916) 323-1450
Bishop	16.3	John Almanza	(916) 323-1450
<b>KERN COUNTY<sup>3</sup></b>	<b>20.8</b>	Jim Miwa	(916) 319-8483
Delano	28.2	Jim Miwa	(916) 319-8483
McFarland	35.2	Jim Miwa	(916) 319-8483
Taft	17.5	Jim Miwa	(916) 319-8483
Wasco	27.5	Jim Miwa	(916) 319-8483
<b>KINGS COUNTY</b>	<b>19.5</b>	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
<b>LAKE COUNTY</b>	<b>17.6</b>	John Almanza	(916) 323-1450
Clearlake	28.6	John Almanza	(916) 323-1450
Lakeport	15.7	John Almanza	(916) 323-1450
<b>LASSEN COUNTY</b>	<b>14.0</b>	Patrick Talbott	(916) 552-9361
Susanville	14.3	Patrick Talbott	(916) 552-9361

<b>LOS ANGELES COUNTY<sup>3</sup></b>		Jim Miwa	(916) 319-8483
Artesia	11.5	Jim Miwa	(916) 319-8483
Avalon	10.4	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
<b>MADERA COUNTY</b>	<b>21.4</b>	John Almanza	(916) 323-1450
Chowchilla	19.2	John Almanza	(916) 323-1450
<b>MARIPOSA COUNTY</b>	<b>14.8</b>	Jon Diedesch	(916) 319-8402
<b>MENDOCINO COUNTY</b>	<b>15.9</b>	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
<b>MERCED COUNTY</b>	<b>21.7</b>	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
<b>MODOC COUNTY</b>	<b>21.5</b>	John Almanza	(916) 323-1450
Alturas	27.1	John Almanza	(916) 323-1450
<b>MONO COUNTY</b>	<b>11.5</b>	John Almanza	(916) 323-1450
Mammoth Lakes	14.4	John Almanza	(916) 323-1450
<b>MONTEREY COUNTY</b>	<b>13.5</b>	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	Jim Miwa	(916) 319-8483
<b>NAPA COUNTY</b>	<b>8.3</b>	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
<b>NEVADA COUNTY</b>	<b>8.1</b>	Jon Diedesch	(916) 319-8402
Grass Valley	14.9	Jon Diedesch	(916) 319-8402
Nevada City	7.9	Jon Diedesch	(916) 319-8402
Truckee	4.6	Jon Diedesch	(916) 319-8402
<b>ORANGE COUNTY<sup>3</sup></b>			
San Juan Capistrano	10.7	Jim Miwa	(916) 319-8483
<b>PLACER COUNTY</b>	<b>5.8</b>	John Almanza	(916) 323-1450
Auburn	6.0	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
<b>PLUMAS COUNTY</b>	<b>13.1</b>	Jon Diedesch	(916) 319-8402
Portola	20.3	Jon Diedesch	(916) 319-8402
<b>RIVERSIDE COUNTY<sup>3</sup></b>		Jon Diedesch	(916) 319-8402
Calimesa	12.2	Jon Diedesch	(916) 319-8402
Coachella	28.9	Jon Diedesch	(916) 319-8402
Indian Wells	3.4	Jon Diedesch	(916) 319-8402
Rancho Mirage	5.9	Jon Diedesch	(916) 319-8402
<b>SAN BENITO COUNTY</b>	<b>10.0</b>	Jim Miwa	(916) 319-8483
Hollister	9.5	Jim Miwa	(916) 319-8483
<b>SAN LUIS OBISPO COUNTY<sup>3</sup></b>		John Almanza	(916) 323-1450
Morro Bay	13.0	John Almanza	(916) 323-1450
Pismo Beach	9.0	John Almanza	(916) 323-1450

<b>SANTA BARBARA COUNTY</b>		John Almanza	(916) 323-1450
Guadalupe	25.0	John Almanza	(916) 323-1450
Solvang	6.7	John Almanza	(916) 323-1450
<b>SANTA CRUZ COUNTY</b>	<b>11.9</b>	Jim Miwa	(916) 319-8483
Capitola	7.0	Jim Miwa	(916) 319-8483
Scotts Valley	2.5	Jim Miwa	(916) 319-8483
<b>SHASTA COUNTY</b>	<b>15.4</b>	Patrick Talbott	(916) 552-9361
Anderson	28.3	Patrick Talbott	(916) 552-9361
Shasta Lake	20.1	Patrick Talbott	(916) 552-9361
<b>SIERRA COUNTY</b>	<b>11.3</b>	Jon Diedesch	(916) 319-8402
Loyalton	18.1	Jon Diedesch	(916) 319-8402
<b>SISKIYOU COUNTY</b>	<b>18.6</b>	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
<b>SOLANO COUNTY</b>	<b>8.3</b>	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
<b>STANISLAUS COUNTY<sup>3</sup></b>		John Almanza	(916) 323-1450
Hughson	19.1	John Almanza	(916) 323-1450
Riverbank	12.3	John Almanza	(916) 323-1450
<b>SUTTER COUNTY</b>	<b>15.5</b>	Jon Diedesch	(916) 319-8402
Live Oak	30.2	Jon Diedesch	(916) 319-8402
<b>TEHAMA COUNTY</b>	<b>17.3</b>	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
<b>TRINITY COUNTY</b>	<b>18.7</b>	Patrick Talbott	(916) 552-9361
<b>TULARE COUNTY</b>	<b>23.9</b>	Jon Diedesch	(916) 319-8402
Dinuba	26.2	Jon Diedesch	(916) 319-8402
Exeter	19.4	Jon Diedesch	(916) 319-8402
Farmersville	30.7	Jon Diedesch	(916) 319-8402
Lindsay	39.9	Jon Diedesch	(916) 319-8402
Woodlake	36.8	Jon Diedesch	(916) 319-8402
<b>TUOLUMNE COUNTY</b>	<b>11.4</b>	Jon Diedesch	(916) 319-8402
Sonora	16.9	Jon Diedesch	(916) 319-8402
<b>YOLO COUNTY</b>	<b>18.4</b>	Patrick Talbott	(916) 552-9361
West Sacramento	22.3	Patrick Talbott	(916) 552-9361
Winters	5.0	Patrick Talbott	(916) 552-9361
<b>YUBA COUNTY</b>	<b>20.8</b>	Jon Diedesch	(916) 319-8402
Marysville	18.9	Jon Diedesch	(916) 319-8402
Wheatland	19.8	Jon Diedesch	(916) 319-8402

*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 jurisdiction's of an opportunity to apply for federal funding.

To obtain citizen input on what Community Development Block Grant (CDBG) economic development activities should be included in the funding proposal to the Department.

**Action needed:** Public notices; public hearings; public meeting documentation is required to be submitted 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 Targeted Income Group (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 of Housing and Community Development (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 Enterprise Fund grant:

##### **Prior to receiving a State CDBG grant**

1. A "project design" phase public hearing must be held no later than 12 months prior to Notice of Funding Availability (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 Program Income (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 activities 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 activities 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 requirement) 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
- 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
  - 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 Economic Development activities as applicable
  - 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 a Planning and Technical Assistance (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 27 and 29. 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 \_\_\_\_\_, \_\_\_\_\_, 2008 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 \_\_\_\_\_, 2008, at 8:00 p.m. at the city/county council/board room, \_\_\_\_\_ Street, to the discuss the Fiscal Year 2008-09 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, familiar status (children), or handicap.

Published \_\_\_\_\_, 2008

**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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## State CDBG Program

### Request for Application for 2008-2009 Enterprise Allocation

Mail, fax or e-mail this request form to:

MeLisa Adams, Program Administrative Assistant  
State Community Development Block Grant Program  
California Department of Housing and Community Development  
1800 Third Street, Suite 330  
Sacramento, CA 95811

Fax: (916) 327-8822

E-mail: [madams@hcd.ca.gov](mailto:madams@hcd.ca.gov)

*Check one of the following to receive the 2008-2009 Enterprise Fund Application:*

- |   |
|---|
| <input type="checkbox"/> Paper copy by mail                         |
| <input type="checkbox"/> Compact disk (CD)                          |
| <input type="checkbox"/> Electronic copy by e-mail. E-mail address: |

#### *Contact Information*

Name:	
Organization:	
Address:	
City:	
State:	
Postal Code:	
Telephone:	
Fax:	
E-mail:	

*Note: If you returned this form and do not receive an Application and Supplemental Information within two weeks, please contact the CDBG Program Administrative Assistant mentioned above.*

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