

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE**

**Community Development Block Grant (CDBG) Program**

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**September 10, 2015**

**AMENDMENT #2  
2015 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
NOTICE OF FUNDING AVAILABILITY (NOFA)  
ISSUED JANUARY 5, 2015**

The Department of Housing and Community Development (Department) issued a 2015 NOFA for the Community Development Block Grant (CDBG) Program on January 5, 2015 announcing the availability of approximately \$24.9 million in federal Community Development and Economic Development Block Grant funding.

On July 14, 2015 Amendment #1 was released to revise page 14 of the NOFA. The purpose of Amendment #2 is to further clarify the Activity Delivery (AD) limits and requirements for Economic Development Over-the-Counter (ED – OTC) applications. This amendment will also revise page 13 to provide clarification to the General Administration (GA) limits for the ED – OTC applications.

The Economic Development Over-the-Counter component of the NOFA allows for Special Economic Development activities per HCDA 105(a)(14) and 105(a)(17), and Public Facilities per HCDA 105(a)(2). These activities may consist of providing financial assistance to a single business or to a large number of businesses served by infrastructure improvements in support of a commercial development (shopping center or industrial park). Economic Development public facility projects, such as incubator facilities and farmers markets may also be funded as ED – OTC projects.

Page 9 of the NOFA explains that the activity delivery allocation for Community Development public facilities, public improvements, and public improvements in support of housing new construction has been incorporated into the activity/project costs. This amendment will further clarify activity delivery allocations for ED – OTC projects.

The 2015 NOFA page 14 is amended to read as follows:

- *\*ED Over-the-Counter: (except Public Facilities or Public Improvements)* *up to 15% or \$50,000 whichever is less*
- *\*Public Facilities or Public Improvements (Including ED Over-the-Counter Projects)* *Activity Delivery costs are included in the total Project costs*

**\* Important: For ED – OTC, the Public Benefit Standard must be applied to the entire Activity amount, including the Activity Delivery amount.**

The 2015 NOFA lower portion of page 13 is amended to read as follows:

ED – OTC General Administrative Expenses

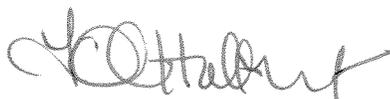
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For an ED – OTC project (maximum \$5,000,000 and minimum \$300,000) **GA** is calculated at seven and one-half percent (7.5% - see formula above) of requested activity funds, but not to exceed \$100,000, *unless there is a written request submitted for an exception to this maximum with supporting documentation and approved by the department.*

Please discuss any questions regarding this NOFA amendment with Mimi Bettencourt, NOFA Award Manager at (916) 253-1014 or Jon Diedesch, NOFA Award Representative at (916) 263-2561.

No other changes are being made to the 2015 Community Development Block Grant Program NOFA at this time. The ED – OTC Application will be revised to reflect these changes.

Sincerely,



Laura A. Whittall-Scherfee, Deputy Director  
Division of Financial Assistance