

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

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Under the authority of 24 CFR 91.505, California is submitting this Substantial Amendment to its 2012-2013 Action Plan pertaining to the State's CDBG Program Method of Distribution.

## CDBG Method of Distribution

Community development and economic development needs vary widely across the state. Given the extreme diversity in the available infrastructure and housing, age of housing stock, overall range in population, the need for community development and economic development funding is high. Because of the limited availability of resources and the extent of community and economic development needs, the Department continues to develop and improve the methods used to address priority needs and to distribute CDBG Program funds to eligible entities for the activities expected to be carried out during the program year. Thus, as noted in the 2012-2013 Annual Action Plan, the State's CDBG Program would be refining its updated Method of Distribution (MOD) with a Substantial Amendment prior to the 2013 Notice of Funding Availability (NOFA) release in early January, 2013.

The updates to the MOD are as follows:

**1. Program Income (PI) Committed in an Application**

If PI is to be committed to an activity application under the NOFA, the resolution authorizing the application must include the program income being committed, which will allow the PI to be included in the application scoring and subsequently added to the contract. The contract is the document that provides authority to expend the PI through the contract. If the PI is not included in the resolution, it cannot be scored and added to the contract, and thus, cannot be expended on the activity even if the activity funding is awarded.

PI can be added to an awarded and open grant activity at a later date; however, this process is evaluated by the Department on a case by case basis.

**2. Non-Entitlement Funds Being Used in Entitlement Areas**

In May 2012, HUD published the CDBG Final Rule that adopted changes to existing CDBG federal regulation. Among the changes made, the Final Rule updates 24 CFR 570.486(c) which discusses spending non-entitlement funds in entitlement areas. The new language allows the funds to be spent but requires the entitlement area make a proportionate contribution to the funding. The Final Rule language is included in its entirety below, and supersedes the State's Management Memo 11-05.

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24CFR 570.486(c): *“Activities located in Entitlement jurisdictions. Any activity carried out by a recipient of State CDBG program funds in entitlement jurisdictions must significantly benefit residents of the jurisdiction of the grant recipient, and the State CDBG recipient must determine that the activity is meeting its needs in accordance with section 106(d)(2)(D) of the Act. For an activity to significantly benefit residents of the recipient jurisdiction, the CDBG funds expended by the unit of general local government must not be unreasonably disproportionate to the benefits to its residents. In addition, the grant cannot be used to provide a significant benefit to the entitlement jurisdiction unless the entitlement grantee provides a meaningful contribution to the project.”*

Any activity application that includes work/benefit to entitlement communities must have evidence within the application that it meets 24CFR 570.486(c) or the activity will be determined to be ineligible.

The evidence/documentation provided must make clear that the entitlement jurisdiction is contributing the proper proportion of funding needed to meet the requirements of the regulation. This must include accounting methodology for determining the applicant's share of the cost versus the entitlement community's. If, from the evidence provided in the application, the Department is unable to determine that the entitlement jurisdiction is contributing the level of funding required by 24CFR570.486(c), the activity will be deemed ineligible.

**3. Un-scored Set-Aside**

Starting with this NOFA, (2013 NOFA), the Department will discontinue the Un-Scored Set-Aside activity award. The Department has determined that since PTA grants cannot be scored (per state statute) having two un-scored activities is administratively difficult. Additionally, with limited funding, the Department believes funding should go where it is most needed, which is determined by the established scoring criteria.

**Note:** *Jurisdictions may still fund small-cost projects through the non-competitive Program Income Waiver process, which provides for review and possible of approval of project and program funding with the jurisdiction's program income on-hand*

**4. Activity Eligibility Review**

While all grantees are aware of the basic application eligibility review the Department conducts prior to scoring an application (Non-entitlement jurisdictions only, A-133 compliance, Housing Element, etc...), once an applicant (jurisdiction) has been determine to be eligible, *but prior to the scoring of individual activities, the Department will review each activity in the application to confirm that they*

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*are eligible under HCDA (the Act) and will meet a national objective, and if required, public benefit standards. Any activity in an application found to not meet the required national objective and, if needed, public benefit requirements, will be deemed ineligible and will not be scored.*

This process will be conducted on an activity basis and applicants may be ineligible for funding of one activity but eligible on their other activities. Only the eligible activities will be scored.

**5. State Objectives**

The 2012-2013 Annual Action Plan Update states that beginning with the 2013 NOFA, the Department may apply State Objective points to some or all activities. While the Annual Plan language gave possible examples of types of State Objective points, it also stated, "Thus the total available points for all activities in 2011-2012 funding year will be 900. All subsequent funding years are anticipated to have a total point scale of 1000."

The Department wishes to clarify that activity scores will range between 900 and 1000 depending on whether an activity has State Objective points available or not, and whether there are 25, 50 or the full 100 points being offered.

**6. Planning and Technical Assistance Grants**

While the MOD for PTAs is not changing the Department wishes to make clear the following:

- A. All PTAs applications must document that the PTA work-product will meet a national objective.
- B. If awarded, the work-product produced by the PTA award must:
  - 1) Be consistent with the work product applied for in the PTA application, and,
  - 2) Be submitted to the Department at time of grant closeout.
- C. If the work product is not consistent with the work-product approved in the original application and noted in the contract; does not meet a national objective; or is not submitted at the time of grant closeout, the activity may be deemed ineligible and the funding shall be returned to the Department.

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**7. Scoring**

The scoring process remains as stated in the 2012-2013 Annual Action Plan Update, and the point levels and point categories are unchanged. However the actual score sheet language under each point category has been clarified so the applicant is clear about what the scoring requirements are. Please see the score sheets below.

**APPLICANT CAPACITY/PAST PERFORMANCE SCORE SHEET**

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The first score sheet below is for each Applicant. The majority of the information below will be based on Departmental records. The Department will review the applicable reports and information to award these points. The total possible is up to 200 points.

<b>ACTIVITY CRITERIA</b>	<b>APPLICANT CAPACITY / PAST PERFORMANCE</b>	<b>POINTS</b>
<b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> <i>(200 Points)</i>	1. Timely Clearance of Special Conditions (-15 points, for each grant not fully cleared in 90 days)	<b>Up to: 60</b>
	2. In-House organizational capacity for General Administration & oversight of CDBG funded activities.	<b>40</b>
	3. Reporting Points (-10 points, for each missing report, except Closeout Docs are -20, as of date of release of NOFA): a) Annual FAR; b) Semi-Annual/Annual Grantee Expenditure and Accomplishments Report c) Semi-Annual/Annual Program Income Report; d) Semi-Annual Wage Compliance Report; e) Section 3 Annual Report; and, f) Closeout Documentation.	<b>70</b>
	4. Cooperation/Compliance in clearing Audit or Monitoring Findings	<b>30</b>
	<b>TOTAL POINTS</b>	<b>200</b>

**ACTIVITY SPECIFIC SCORING SHEETS**

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The maximum possible score is up to 950 points for each activity other than Public Infrastructure, Public Infrastructure In Support of New Housing Construction, and Public Services, where the maximum point award is up to 1000. See charts on following pages.

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**ECONOMIC DEVELOPMENT - ENTERPRISE FUND**

A maximum score of 950 points is assigned according to the following criteria. Points are allocated as noted in the chart below:

ACTIVITY CRITERIA	ENTERPRISE FUND – BUSINESS ASSISTANCE	POINTS
<b>NEED/BENEFIT</b> (400 Points)	<p><b>Need:</b></p> <p><b>1. Unemployment</b></p> <p><b>2. Market Analysis</b></p> <p>a) <u>Understanding of Market Conditions / Opportunities by Market Segment</u></p> <ul style="list-style-type: none"> <li>o Level of most recent business activity: <ul style="list-style-type: none"> <li>▪ Comparative analysis number of establishments by employment / size / class, over previous 3 years.</li> <li>▪ Determination of number of business by industry category – use NAICS code level breakdown</li> <li>▪ Analysis of business segment (identified via NAICS) changes over previous 3 years.</li> <li>▪ List of Local Business Surveyed to determine demand.</li> </ul> </li> </ul> <p>b) <u>Identifying/Analyzing Lending Opportunities and Competitors</u></p> <ul style="list-style-type: none"> <li>o Identifying all (other) private and public lending sources serving the market area to determine: <ul style="list-style-type: none"> <li>▪ Types of lending products offered</li> <li>▪ Types of businesses inquiring/obtaining financing</li> <li>▪ Types of businesses not meeting lender requirements</li> <li>▪ Minimum and Maximum Loan Amounts</li> <li>▪ Typical loan terms &amp; interest rates</li> <li>▪ Allowable uses of funds</li> <li>▪ Collateral requirements</li> <li>▪ Level of equity contribution required for loan-to-value (LTV)</li> </ul> </li> <li>o Determine and confirm that financing program will fill the financing gaps in the market.</li> </ul> <p>c) <u>Demand Projections</u></p> <ul style="list-style-type: none"> <li>o Based on level of business activity / competitive environment: <ul style="list-style-type: none"> <li>▪ Determine how many loans will be made annually over the grant term</li> <li>▪ Determine and validate average size of loans</li> <li>▪ Develop and loan program marketing strategy/plan</li> <li>▪ Determine and validate number of inquiries that may be generated</li> <li>▪ Determine and validate number applications generated from the inquiries</li> <li>▪ Determine and Validate number of applications likely to be approved.</li> </ul> </li> </ul> <p>d) <u>Conclusions</u></p> <ul style="list-style-type: none"> <li>o Based on the Demand Projections above, determine and validate the grant funding being requested.</li> <li>o Third Party Documentation and References</li> </ul>	<p><b>100</b></p> <p><b>250</b></p>

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	<b>Benefit: Poverty</b> (Jurisdiction-Wide only) <i>(Applicant pool sets range of points for Poverty)</i>	<b>50</b>
<b>READINESS</b> <i>(300 Points)</i>	1. <b>Program Description</b> that includes the following: a) Program organization and activity flow charts b) Task Matrix c) Description of organization and structure of the activity	<b>25</b>
	2. <b>Program Operator's Status</b> is one of the following: a) Applicant has executed subrecipient agreement(s) for all subrecipient(s) and procured consultants per HUD procurement guidelines (Chapter 8 of the CDBG GMM) b) Grantee will be using in-house staff for the activity either solely or in conjunction with subrecipient/consultant. Grantee has executed subrecipient agreement(s) and/or consultant contract(s). c) Grantee does not have approved contracts and/or agreements and will be procuring services for this activity.	<b>75</b>
	3. <b>Program Operator Qualifications:</b> include the following: a) Complete duty statements of all job positions; b) Complete resumes of all individuals performing work under the activity; include relevant experience with emphasis on any CDBG RLA, grant management, marketing, and CDBG financial underwriting training and experience. c) Identify individual(s) performing ED financial underwriting for BA loans. d) Provide certificates of training that substantiate ED financial expertise or CDBG specialization	<b>200</b>
<b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> <i>(200 Points)</i>	The score from the Applicant Capacity/Past Performance Score Sheet will be added here.	<b>Up to: 200</b>
<b>STATE OBJECTIVES</b>	<b>Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.	<b>50</b>
<b>TOTAL POINTS</b>		<b>950</b>

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ACTIVITY CRITERIA	ENTERPRISE FUND – MICROENTERPRISE	POINTS
<p><b>NEED/BENEFIT</b> (400 Points)</p>	<p><b>Need:</b></p> <ol style="list-style-type: none"> <li>1. <b>Unemployment</b></li> <li>2. <b>Market Analysis</b> <ol style="list-style-type: none"> <li>a) <u>Understanding of Market Conditions / Opportunities by Market Segment</u> <ul style="list-style-type: none"> <li>o Level of most recent business activity:           <ul style="list-style-type: none"> <li>▪ Comparative analysis number of establishments by employment / size / class, over previous 3 years.</li> <li>▪ Determination of number of business by industry category – use NAICS code level breakdown</li> <li>▪ Analysis of business segment (identified via NAICS) changes over previous 3 years.</li> <li>▪ List of Local Business Surveyed to determine demand.</li> </ul> </li> <li>b) <u>Identifying/Analyzing Lending Opportunities and Competitors</u> <ul style="list-style-type: none"> <li>o Identifying all (other) private and public lending sources serving the market area to determine:           <ul style="list-style-type: none"> <li>▪ Types of lending products offered</li> <li>▪ Types of businesses inquiring/obtaining financing</li> <li>▪ Types of businesses not meeting lender requirements</li> <li>▪ Minimum and Maximum Loan Amounts</li> <li>▪ Typical loan terms &amp; interest rates</li> <li>▪ Allowable uses of funds</li> <li>▪ Collateral requirements</li> <li>▪ Level of equity contribution required for loan-to-value (LTV)</li> </ul> </li> <li>o Determine and confirm that financing program will fill the financing gaps in the market.</li> </ul> </li> <li>c) <u>Demand Projections</u> <ul style="list-style-type: none"> <li>o Based on level of business activity / competitive environment:           <ul style="list-style-type: none"> <li>▪ Determine how many loans will be made annually over the grant term</li> <li>▪ Determine and validate average size of loans</li> <li>▪ Develop and loan program marketing strategy/plan</li> <li>▪ Determine and validate number of inquiries that may be generated</li> <li>▪ Determine and validate number applications generated from the inquiries</li> <li>▪ Determine and Validate number of applications likely to be approved.</li> </ul> </li> </ul> </li> <li>d) <u>Conclusions</u> <ul style="list-style-type: none"> <li>o Based on the Demand Projections above, determine and validate the grant funding being requested.</li> <li>o Third Party Documentation and References</li> </ul> </li> </ul></li></ol> </li> </ol> <p><b>Benefit: Poverty</b> (Jurisdiction-Wide only) (Applicant pool sets range of points for Poverty)</p>	<p style="text-align: center;"><b>100</b> <b>250</b></p> <p style="text-align: center;"><b>50</b></p>

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<b>READINESS</b> (300 Points)	1. <b>Program Description</b> that includes the following: a. Program organization and activity flow charts b. Task Matrix c. Description of organization and structure of the activity	<b>25</b>
	2. <b>Program Operator's Status</b> is one of the following: a. Applicant has an executed subrecipient agreement(s) for all subrecipients and procured consultants per HUD procurement guidelines (Chapter 8 of the CDBG GMM) b. Grantee will be using in-house staff for the activity either solely or in conjunction with subrecipient/consultant. Grantee has executed subrecipient agreement(s) and/or consultant contract(s). c. Grantee does not have executed subrecipient agreement(s) or contract(s) with consultant(s) and will be procuring services for this activity.	<b>75</b>
	3. <b>Program Operator Qualifications:</b> include the following: a. Complete duty statements of all job positions; b. Complete resumes of all individuals performing work under the activity; include relevant experience with emphasis on any CDBG RLA, grant management, marketing, and CDBG financial underwriting training and experience. c. Identify individual(s) performing financial underwriting for Microenterprise loans. d. Provide certificates of training that substantiate ED financial expertise or CDBG specialization	<b>200</b>
<b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> (200 Points)	The score from the Applicant Capacity/Past Performance Score Sheet will be added here.	<b>Up to: 200</b>
<b>STATE OBJECTIVES</b> (50 Points)	<b>Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.	<b>50</b>
<b>TOTAL POINTS</b>		<b>950</b>

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**COMMUNITY DEVELOPMENT**

The maximum possible score is up to 950 points for each activity other than Public Infrastructure, Public Infrastructure In Support of New Housing Construction, and Public Services, where the maximum point award is up to 1000. See charts on following pages.

ACTIVITY CRITERIA	HOMEOWNERSHIP ASSISTANCE PROGRAM (HA)	POINTS
<p><b>NEED</b> (400 Points)</p> <p><b>Note:</b> For Housing Combo: 50% of scores for both Housing Rehab &amp; Homeownership Asst. will be totaled for final score. No weighted average based on amount of funding requested.</p>	<p><b>Need: (250 out of 400 points)</b></p> <ol style="list-style-type: none"> <li>Overcrowding</li> <li>Homeownership Rate</li> </ol> <p><b>Benefit: (150 out of 400 points)</b></p> <ol style="list-style-type: none"> <li>Low-Mod Percentage (Jurisdiction-Wide only)</li> <li>Poverty Percentage (Jurisdiction-Wide only)</li> </ol> <p>(Applicant pool sets range of points for Overcrowding, Homeownership Rate, Low-Mod and Poverty)</p>	<p><b>Up to:</b></p> <p>125</p> <p>125</p> <p>100</p> <p>50</p>
<p><b>READINESS</b> (300 Points)</p> <p><i>*If Homeownership Assistance Guidelines already approved and adopted, simply submit copy of approval and adoption docs</i></p> <p><i>**Pre-Screened Applicants – not "Pre-Qualified"</i></p>	<ol style="list-style-type: none"> <li><b>Activity-Specific Operator Experience</b> <ol style="list-style-type: none"> <li>Continuation of Existing Program, active during the last fiscal year = 150 points (Per Dept's PI Reports and Grant Files)</li> <li>Active in last 4 years but not the last 12 months = 100 (Per Dept's PI Reports and Grant Files)</li> <li>No active Housing program = 0</li> </ol> </li> <li><b>Program Guidelines</b> Approved by HCD and Adopted by the Applicant Jurisdiction*</li> <li><b>Waiting List</b> of Pre-Screened** applicants – submit up to 5 most recent signed, pre-screened applications with SSN redacted.</li> </ol>	<p><b>Up to:</b></p> <p>150</p> <p>100</p> <p>50</p>
<p><b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> (200 Points)</p>	<p>The score from the Applicant Capacity/Past Performance Score Sheet will be added here.</p>	<p><b>Up to:</b></p> <p>200</p>
<p><b>STATE OBJECTIVES</b> (100 Points)</p>	<ol style="list-style-type: none"> <li><b>Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.</li> <li><b>Homeownership Assistance</b> – Awarded for applications for HA program activity that is NOT part of a combo. The points will not be awarded if HA and HR are both applied for.</li> </ol>	<p>50</p> <p>50</p>
<p><b>TOTAL POINTS</b></p>		<p><b>1000</b></p>

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ACTIVITY CRITERIA	HOUSING REHABILITATION PROGRAM – (1-4 UNITS) (HR)	POINTS
<p><b>NEED</b> (400 Points)</p> <p><i>Note: For Housing Combo: 50% of scores for both Home Rehab &amp; Homeownership Asst. will be totaled for final score. No weighted average based on amount of funding requested.</i></p>	<p><b>Need: (250 out of 400 points)</b></p> <ol style="list-style-type: none"> <li>1. Overcrowding</li> <li>2. Age of Housing</li> </ol> <p><b>Benefit: (150 out of 400 points)</b></p> <ol style="list-style-type: none"> <li>1. Low-Mod Percentage (Jurisdiction-Wide only)</li> <li>2. Poverty Percentage (Jurisdiction-Wide only)</li> </ol> <p><i>(Applicant pool sets range of points for Overcrowding, Age of Housing, Low-Mod &amp; Poverty)</i></p>	<p><b>Up to:</b> 125 125</p> <p>100 50</p>
<p><b>READINESS</b> (300 Points)</p> <p><i>*Pre-Screened Applicants – not “Pre-Qualified”</i></p>	<ol style="list-style-type: none"> <li><b>1. Activity-Specific Operator Experience</b> <ol style="list-style-type: none"> <li>a) Continuation of Existing Program, active during the last fiscal year = 150 points (Per Dept’s PI Reports and Grant Files)</li> <li>b) Active in last 4 yrs but not the last 12 months = 100 (Per Dept’s PI Reports and Grant Files)</li> <li>c) No active Housing program = 0</li> </ol> </li> <li><b>2. Program Guidelines</b> Approved by HCD and Adopted by the Applicant Jurisdiction</li> <li><b>3. Waiting List</b> of Pre-Screened* applicants – submit up to 5 most recent signed, pre-screen applications with SSN redacted.</li> </ol>	<p><b>Up to:</b> 150</p> <p>100 50</p>
<p><b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> (200 Points)</p>	<p>The score from the Applicant Capacity/Past Performance Score Sheet will be added here.</p>	<p><b>Up to:</b> 200</p>
<p><b>STATE OBJECTIVES</b> (50 Points)</p>	<p><b>Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were ‘below the available funding cut off line’.</p>	<p>50</p>
<b>TOTAL POINTS</b>		<b>950</b>

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ACTIVITY CRITERIA	MULTI-FAMILY HOUSING – ACQUISITION (INCLUDING ACQ OF VACANT LAND FOR MFH), REHABILITATION OR ACQUISITION WITH REHABILITATION	POINTS
<p><b>NEED</b> (400 Points)</p> <p><i>Note: Multi-Family Housing projects may not be included in a Housing Combo program. MFH Activities may include no more than one project.</i></p>	<p><b>Need (250 out of 400 points)</b></p> <ol style="list-style-type: none"> <li>1. <b>Overcrowding</b></li> <li>2. <b>Rental Vacancy Rate</b></li> </ol> <p><b>Benefit (150 out of 400 points)</b></p> <ol style="list-style-type: none"> <li>1. <b>Low-Mod Percentage</b> (Jurisdiction-Wide only)</li> <li>2. <b>Poverty Percentage</b> (Jurisdiction-Wide only) <i>(Applicant pool sets range of points for Low-Mod, Poverty and Need criteria)</i></li> </ol>	<p>125 125</p> <p>100 50</p>
<p><b>READINESS</b> (300 Points)</p>	<ol style="list-style-type: none"> <li>1. <b>Activity-Specific Operator Experience</b> <ol style="list-style-type: none"> <li>a) Jurisdiction has completed and/or had oversight of <u>3 or more similar MFH projects with CDBG or HOME</u> funding since Program Year 2007-08 = 200 points.</li> <li>b) Jurisdiction has completed and/or had oversight of <u>1 or 2 similar MFH projects with CDBG/HOME</u> funding since Program Year 2007-08 = 150 points/</li> <li>c) Jurisdiction has completed and/or had oversight of <u>3 or more similar MFH projects without CDBG/HOME</u> funding since Program Year 2007-08 = 100 points.</li> <li>d) Jurisdiction has completed <u>1 or 2 similar MFH projects without CDBG/HOME</u> funding within last 5 years = 50 points.</li> <li>e) Jurisdiction has not completed any MFH projects since Program Year 2007-08 = 0 points</li> </ol> <p><i>Note: Any jurisdiction that has an executed Subrecipient Agreement with a subrecipient with CDBG/HOME MFH experience since Program Year 2007-08 will get 50 points, up to the Readiness maximum of 200 points.</i></p> </li> <li>2. <b>All Funding In Place</b> – all funding committed which will allow full occupancy and meeting of the National Objective.</li> <li>3. <b>Site Control</b></li> </ol>	<p><b>Up to: 200</b></p> <p><b>Up to: 75</b></p> <p><b>25</b></p>
<p><b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> (200 Points)</p>	<p>The score from the <u>Applicant Capacity/Past Performance Score Sheet</u> will be added here.</p>	<p><b>Up to: 200</b></p>
<p><b>STATE OBJECTIVES</b> (50 Points)</p>	<p><b>Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.</p>	<p><b>50</b></p>
<p><b>TOTAL POINTS</b></p>		<p><b>950</b></p>

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ACTIVITY CRITERIA	PUBLIC IMPROVEMENTS (PI) (INCLUDES ACQUISITION OF VACANT LAND FOR PUBLIC IMPROVEMENTS)	POINTS
<b>NEED/BENEFIT</b> (400 Points)  <b>Note: JW = Jurisdiction-Wide SA = Service Area</b> <i>*Sliding scale like previous years. C &amp; D or Boil Water Order gets full points. See "Scoring Guidelines for Public Improvements." **JW or SA depending on if SA necessary to prove activity eligibility. See Application.</i>	<b>Need: (250 out of 400)</b> 1. PI: Seriousness of Health & Safety Threat*	<b>Up to: 250</b>
	<b>Benefit: (150 out of 400)</b> 1. Low-Mod Percentage** (JW or SA for PI; JW only for PIHNC) 2. Poverty Percentage (Jurisdiction-Wide only for both) (Applicant pool sets range of points for Low-Mod & Poverty)	<b>Up to: 75</b>  <b>75</b>
<b>READINESS</b> (300 Points)	<b>1. Experienced In-House Staff &amp; Ready to Start</b> a) Previously completed <u>CDBG-funded non-housing related construction/rehabilitation</u> projects since Program Year 2007-08. (Contract numbers must be provided) (50 points for each project, up to 100 points.) b) Previously completed <u>CDBG-funded housing related construction/ rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (25 points for each project up to 100 points.) c) Previously completed <u>federally funded, other than CDBG, non-housing related construction/ rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (25 points per project, up to 100 points.)	<b>Up to: 100</b>
	<b>2. Project Approval Status</b> a) Preliminary Design & Engineer Plans, signed and stamped (50 points) b) Engineer's Cost Estimate, signed and stamped by the Engineer (25 points) c) Engineer's Timeline, signed and stamped by the Engineer (25 points)	<b>Up to: 100</b>
	<b>3. Funding in Place</b> – All funding committed which will allow entire project completion/full occupancy and meeting of the National Objective.	<b>75</b>
	<b>4. Site Control of Land for Project</b>	<b>25</b>
<b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> (200 Points)	The score from the Applicant Capacity/Past Performance Score Sheet will be added here.	<b>Up to: 200</b>
<b>STATE OBJECTIVES</b> (50 Points)	<b>1. Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.	<b>50</b>
	<b>2. Public Infrastructure projects to improve and/or provide potable water.</b>	<b>50</b>
<b>TOTAL POINTS</b>		<b>1000</b>

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

ACTIVITY CRITERIA	PUBLIC IMPROVEMENTS IN SUPPORT OF HOUSING NEW CONSTRUCTION (PIHNC) (INCLUDES ACQUISITION OF VACANT LAND FOR PIHNC)	POINTS
<p><b>NEED/BENEFIT</b> (400 Points)</p> <p><b>Note: JW = Jurisdiction-Wide SA = Service Area</b></p> <p><i>**JW or SA depending on if SA necessary to prove activity eligibility. See Application.</i></p>	<p><b>Need: (250 out of 400)</b></p> <ol style="list-style-type: none"> <li>1. Condition of Approval for PI HNC</li> <li>2. Renter Overpayment (25 points)</li> <li>3. Vacancy rate (25 points)</li> <li>4. Overcrowding (25 points)</li> <li>5. COG data (RHNA) (25 points)</li> </ol> <p><b>Benefit: (150 out of 400)</b></p> <ol style="list-style-type: none"> <li>1. Low-Mod Percentage** (JW or SA for PI; JW only for PIHNC)</li> <li>2. Poverty Percentage (Jurisdiction-Wide only) (Applicant pool sets range of points for Low-Mod &amp; Poverty)</li> </ol>	<p><b>Up to:</b> <b>150</b></p> <p><b>100</b></p> <p><b>Up to:</b> <b>75</b></p> <p><b>75</b></p>
<p><b>READINESS</b> (300 Points)</p>	<ol style="list-style-type: none"> <li>1. <b>Experienced In-House Staff &amp; Ready to Start</b> <ol style="list-style-type: none"> <li>a) Previously completed <u>CDBG-funded non-housing related construction/ rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) ( 50 points for each project, up to 100 points.)</li> <li>b) Previously completed <u>CDBG-funded housing related construction/ rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (25 points for each project up to 100 points.)</li> <li>c) Previously completed <u>federally funded, other than CDBG, non-housing related construction/ rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (25 points per project, up to 100 points.)</li> </ol> </li> <li>2. <b>Project Approval Status</b> <ol style="list-style-type: none"> <li>a) Preliminary Design &amp; Engineer Plans, signed and stamped (50 points)</li> <li>b) Engineer's Cost Estimate, signed and stamped by the Engineer (25 points)</li> <li>c) Engineer's Timeline, signed and stamped by the Engineer. (25 points)</li> </ol> </li> <li>3. <b>Funding in Place</b> – all funding committed which will allow entire project completion/full occupancy and meeting of the National Objective.</li> <li>4. <b>Site Control of Land for Project</b></li> </ol>	<p><b>Up to:</b> <b>100</b></p> <p><b>Up to:</b> <b>100</b></p> <p><b>75</b></p> <p><b>25</b></p>
<p><b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> (200 Points)</p>	<p>The score from the Applicant Capacity/Past Performance Score Sheet will be added here.</p>	<p><b>Up to:</b> <b>200</b></p>
<p><b>STATE OBJECTIVES</b> (100 Points)</p>	<ol style="list-style-type: none"> <li>1. <b>Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.</li> <li>2. <b>Public Infrastructure projects to improve and/or provide potable water.</b></li> </ol>	<p><b>50</b></p> <p><b>50</b></p>
<b>TOTAL POINTS</b>		<b>1000</b>

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ACTIVITY CRITERIA	PUBLIC FACILITIES (INCLUDES ACQUISITION OF VACANT LAND FOR PUBLIC FACILITIES)	POINTS
<p><b>NEED/BENEFIT</b> (400 Points)</p> <p><i>*JW or TA depending on type of Public Facility (and Public Services offered). See Application.</i></p>	<p><b>Need: (300 out of 400)</b></p> <ol style="list-style-type: none"> <li>1. Severity of Problem               <ol style="list-style-type: none"> <li>a) Necessity of Service (75)</li> <li>b) Condition of the Building (50)                   <ol style="list-style-type: none"> <li>i. Third Party Documentation confirm Red Tag/condemned (50 points)</li> <li>ii. Documented Need for Rehabilitation (25)</li> <li>iii. New construction of a facility (25)</li> </ol> </li> </ol> </li> <li>2. Extent of Solution (percentage of problem solved)               <ol style="list-style-type: none"> <li>a) If solved via the Public Service (75)</li> <li>b) If solved via the building repair or construction (50)</li> </ol> </li> <li>3. 3<sup>rd</sup> Party Documentation</li> </ol> <p><b>Benefit: (100 out of 400)</b></p> <ol style="list-style-type: none"> <li>1. Low-Mod Percentage (Jurisdiction-Wide or Service Area*)</li> <li>2. Poverty Percentage (Jurisdiction-Wide only) <i>(Applicant pool sets range of points for Low-Mod &amp; Poverty)</i></li> </ol>	<p><b>Up to:</b> <b>125</b></p> <p><b>Up to:</b> <b>125</b></p> <p><b>50</b></p> <p><b>50</b></p> <p><b>50</b></p>
<p><b>READINESS</b> (300 Points)</p>	<ol style="list-style-type: none"> <li>1. <b>Experienced In-House Staff &amp; Ready to Start</b> <ol style="list-style-type: none"> <li>a) Previously completed <u>CDBG-funded non-housing related construction/rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (50 points for each project, up to 100 points.)</li> <li>b) Previously completed <u>CDBG-funded housing related construction/rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (25 points for each project up to 100 points.)</li> <li>c) Previously completed <u>federally funded, other than CDBG, non-housing related construction/rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (25 points per project, up to 100 points.)</li> <li>d) Previously completed <u>federally funded, other than CDBG, housing related construction/rehabilitation projects</u> since Program Year 2007-08. (Contract numbers must be provided) (25 points per project, up to 100 points.)</li> </ol> </li> <li>2. <b>Project Approval Status</b> <ol style="list-style-type: none"> <li>a) Engineer's Preliminary Design &amp; Plans signed and stamped by the Engineer (50 points)</li> <li>b) Engineer's Cost Estimate, signed and stamped by the Engineer (25 points)</li> <li>c) Engineer's Timeline, signed and stamped by the Engineer (25 points)</li> </ol> </li> <li>3. <b>Funding in Place</b> – all funding committed which will allow complete construction, provision of public services, and meeting of the National Objective.</li> <li>4. <b>Site Control of Land for Project</b></li> </ol>	<p><b>Up to:</b> <b>100</b></p> <p><b>Up to:</b> <b>100</b></p> <p><b>75</b></p> <p><b>25</b></p>
<p><b>APPLICANT CAPACITY/ PAST PERFORMANCE</b> (200 Points)</p>	<p>The score from the Applicant Capacity/Past Performance Score sheet will be added here.</p>	<p><b>Up to:</b> <b>200</b></p>
<p><b>STATE OBJECTIVES</b> (50 Points)</p>	<p><b>Capacity Building Points</b> – Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.</p>	<p><b>50</b></p>
<b>TOTAL POINTS</b>		<b>950</b>

