CDBG Office Hours

Team HCD CDBG

Wednesday, April 20, 2022
How to ask a question

• Webinar questions:
  – Click “Q & A” chat bubble to submit a question to the team
  – You may ask questions anonymously, but if you want your name, organization, or region associated with your question, you will need to type it in the “Your Name” box
  – The team will read questions out loud throughout the presentation and will provide answers if possible
  – All questions will be saved and recorded as part of the public record
CDBG Program Updates

2020 CDBG NOFA
  ❖ 1 Pending SA routing for final approval

2021 CDBG NOFA
  ❖ 64- applications submitted and reviewed for threshold
  ❖ The Notice of Conditional Contract Award Letters went out on March 29, 2022
  ❖ We are completing reviews of corrections as they come in

2022 CDBG NOFA
  ❖ Dropped to the website 4/19/2022
  ❖ Housing & Community Development (Competitive) Programs due June 20, 2022 @ 3:00PM Pacific Daylight Time
  ❖ Economic Development Projects and Programs due July 18, 2022 @ 3:00PM PDT
  ❖ Applications in partnership with Non-Federally Recognized Tribes due August 19, 2022 @ 3:00PM PDT
  ❖ Amended 2019 Program Guidelines Published to HCD Website
Completed Trainings

 ✓ 1/6/22 Single Audits- What are they and why do they matter?
 ✓ 1/11/22 DUNS Number & Debarment Workshop
 ✓ 1/13/22 Resolution Training
 ✓ 1/19/22 2022 NOFA Workshop
 ✓ 1/19/22 State Objectives, What you need to know
 ✓ 1/26/22 Racial Equity Workshop
 ✓ 1/27/22 2022 NOFA Workshop
 ✓ 2/3/22 National Objectives & Matrix Codes
 ✓ 2/3/22 NEPA level of review workshop
 ✓ 2/8/22 How to write an effective narrative
 ✓ 2/17/22 eCivis Budget Training
Upcoming Training Continued….

• TBD 2022 Application Technical Assistance Session

Look for notification of the new date. We are working on setting the date now that the 2022 NOFA has been published.

• To register for these trainings, please visit HCD's Eventbrite page at California Dept. Housing & Community Development Events | Eventbrite
CDBG-CV

- CDBG-CV1
  - 82 Approved and Executed

- CDBG-CV2 and 3
  - 145 Submitted Applications:
    - 0 Awaiting Corrections
    - 0 Routing
    - 3 Pending Signatures
    - 142 Approved
CDBG-CV Set-Asides

- **CDBG-CV Homekey Set-Aside**
  - 25 Submitted Applications:
    - 0 Awaiting Corrections
    - 5 Routing
    - 0 Pending Signatures
    - 0 Approved

- **CDBG-CV Tribal Set Aside**
  - 19 Submitted Applications:
    - 6 Awaiting Corrections
    - 10 Routing
    - 0 Pending Signatures
    - 0 Approved
Management Memo re: Advancing Funds

• On April 1, HCD released a management memorandum on how grantees with Business Assistance and Microenterprise CDBG-CV awards can request to receive advance funding to support their program goals.

• Link: Management Memo #22-01: Advance Funding for CDBG-CV Microenterprise and Business Assistance Grantees
CDBG and CDBG-CV Rental Relief

Office Hours Overview
April 20, 2022
Subsistence Payments

• What is a subsistence payment?
  – Emergency grant payment on behalf of a beneficiary made directly to the third party
  – Payments are time limited
    • CDBG: 3 months
    • CDBG-CV (and FY19 & FY20 CDBG): 6 months
Grantee Requirements Prior to Launch

Agreement

• Ensure Exhibit E of Standard Agreement and Resolution allow for subsistence payments in form of rental relief

Guidelines

• Develop rental relief program guidelines
  – Ensure compliance with cross-cutting requirements such as Environmental Review, FHEO and LEP
Key Requirements

- Assistance only eligible after April 1, 2022
- Necessary and reasonable
- CDBG-CV Only
  - Duplication of benefits
  - COVID-19 tieback
  - Lead-based paint assessment
Resources

- Policy Considerations
- FAQs
- Sample Application
- Training Session: 4/27 @11am
Policy Considerations

- Includes CDBG and CDBG-CV
- HCD Requirements
- Grantee Policy

1. Introduction

These policy considerations apply to non-entitlement jurisdictions that elect to use all or a share of their CDBG and/or CDBG-CV award for subsistence payments (emergency grant payments) for rental relief activities.

Grantees should use these policy considerations to establish local program guidelines prior to the implementation of rental relief activities. Grantees should ensure that all programs are operated in accordance with this guidance and the Housing and Community Development Act, as amended. Grantees utilizing their CDBG-CV award, fiscal year 2019, or fiscal year 2020 CDBG award to prevent, prepare for, or respond to coronavirus must also implement their programs in a manner consistent with the CDBG-CV Federal Register Notice (FR 0216-I-01).

Prior to carrying out such activities, grantees must ensure that the scope of work in Exhibit E of their Standard Agreement and the resolution from their governing body allows for, or is revised, to make subsistence payments in the form of rental relief eligible.

Grantees may elect to combine rental relief subsistence activities with other subsistence activities being carried out in their jurisdiction, such as utility or mortgage assistance, so long as these are allowed in their Standard Agreement Exhibit E, governing body resolution, and program guidelines.

2. Policy Considerations

Grantees should ensure that the following elements are addressed in both the program guidelines and application process. As indicated, the State has provided specific guidance for certain requirements. For other requirements, grantees have discretion on how to establish such policies as long as they align with the Housing and Community Development Act, as amended. Grantees utilizing their CDBG-CV award, fiscal year 2019, or fiscal year 2020 CDBG award to prevent, prepare for, or respond to coronavirus must also ensure their program is consistent with the CDBG-CV Federal Register Notice (FR 0216-I-01).

Grantees’ program guidelines should, at a minimum, address all policy considerations summarized below.

2.1. Policy Considerations for All Rental Relief Activities

**Applicant Eligibility**

**HCD Requirement:** Grantees must collect the necessary demographic information from applicants for reporting activity accomplishments.

**HCD Requirement:** Grantees must enter into a written agreement with the applicant prior to issuing funds on the applicant’s behalf.

**Grantee Policy:** Establish the requirements for how they will confirm the applicant is an eligible tenant or subtenant of the property.

**Grantee Policy:** Establish methodology for the order in which applications will be reviewed, including prioritization of applicants in the event of a waitlist.

**Grantee Policy:** Establish additional requirements or thresholds for applicants.
Frequently Asked Questions

• Updated regularly
• Provide examples of how the requirements are applied
Sample Application Templates

• CDBG and CDBG-CV Versions
• General application templates
• Requires modifications to align with grantee’s policies and program

Applicant Summary
CDBG-CV Rental Relief Application

Please complete the information below for the applicant seeking rental assistance. This individual must be on the lease or rental agreement.

<table>
<thead>
<tr>
<th>Applicant Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name:</td>
</tr>
<tr>
<td>Email:</td>
</tr>
<tr>
<td>Landlord / Property Manager Name:</td>
</tr>
<tr>
<td>Landlord / Property Manager Email:</td>
</tr>
<tr>
<td>Housing Unit Address:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Household Information</th>
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<tbody>
<tr>
<td>No.</td>
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*Within this program, the term household is generally interchangeable with family and generally includes members residing in the household as described in the definition of 24 CFR part 503.*
Questions and Answers: Recap from Prior Office Hours
Question:
For the COVID-19 Small Business Assistance programs are there any suggestions or work arounds for businesses who have completed their 2021 business taxes and have recovered back to normal revenue amount matching their 2019 revenue or higher revenue. Do they still qualify for assistance?

Answer:
Yes, if the coronavirus nexus in terms of the economic impact to the business is not gone; however, a different coronavirus nexus could apply (such as changes to the business model due to COVID-19 impacts, etc). If a different coronavirus nexus applies, the business would need to change to that applicable coronavirus nexus in order to continue to be eligible for assistance. If it is a new business applying for assistance, the most recent data must be reviewed, and you must determine whether or not there is a coronavirus nexus. If so, you must document that coronavirus nexus.

From: Office Hours 04/13/22
Question:
To follow up on the previous question, we have faced this as well. I am thinking of blending business assistance practices with our Microenterprise program. For example, let's say the Microenterprise is recovered, but has capacity to add another job. I am thinking of adding an addendum to the grant agreement that funds are exclusively used for payroll for an LMI job. According to EDD data, our unemployment has not fully recovered since COVID (and that trendline does indicate a causal relationship), so would this fit the nexus?

Answer:
If you have the data to support the local employment gaps that tie back to coronavirus, this should be acceptable.
**Question:**
Can we do an Income Study with PI to be submitted by 6/30/2022?

**Answer:**
An income study is considered a planning activity. The only way to fund an income study is to use 17% of annual receipts for the study. You can use your General Administration expenditures for planning expenses but you cannot do an income study with other Program Income because it's considered planning and we don’t know whether or not we’ll exceed the General Admin and Planning caps, so we cannot allow this until we have better data from our Program Income receipts.

From: Office Hours 04/13/22
Question:
As of what date was a DUNS number no longer needed and a SAM number now needed? What website do people go to in order to get a SAM number?

Answer:
On April 4, 2022, SAM unique identifier became available and required. Visit https://sam.gov/content/home and follow the pop-up window that introduces SAM unique identifiers, and you will find instructions on how to receive yours.

From: Office Hours 04/13/22
Question:
Any update on the OTC award announcement?

Answer:
We are still working on this and will reach out as soon as we can.
**Question:**
Will there be any additional information related to the 2021 conditional offer and the requested changes to NEPA issued?

**Answer:**
This depends on what NEPA changes you are asking for. Two weeks ago we discussed corrections that were related to the total funding on page 2. As long as the two totals combined is not less than the award total, this would be allowable. Also acceptable is that you may put an amount that says, “up to or not to exceed.” The previous direction was that you had to use a dollar amount and using this language was not acceptable. We have since received clarification that it is okay to use the “up to or not to exceed” language. Please reach out to your HCD representative if you have further questions.

From: Office Hours 04/13/22
Question:
Are general contractors that are in contracts with homeowners for housing rehabilitation required to have a DUNS number?

Answer:
Typically, any contractor that is performing services that are funded with HUD funds should be registered in sam.gov and be checked against the debarred list.
**Question:**
I thought previous guidance that any vendor under contract required SAM and DUNS. Is DUNS no longer needed?

**Answer:**
Historically, when you did a SAM.gov check, they would use the DUNS number to register. The DUNS number is being phased out and it is being replaced with the Unique Entity Identifier (UEI) from SAM.gov. Going forward, the requirement is that you will have a UEI number and not a DUNS number. Any entity that was previously registered in SAM.gov using their DUNS number can go to SAM.gov and retrieve their automatically assigned UEI. Any new entity being registered will just receive a UEI.
Questions and Answers
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HCD values diversity at all levels of the department and is committed to fostering an environment in which employees from a variety of backgrounds, cultures, and personal experiences are welcomed and can thrive. We believe the diversity of our employees and their unique ideas inspire innovative solutions to complex housing challenges.

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