

CDBG Office Hours

Team HCD CDBG

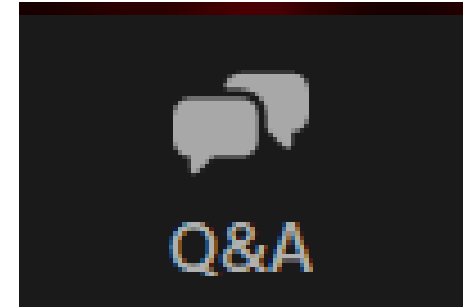
Wednesday, December 14, 2022





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





Office Hours – Holiday Schedule

- Office Hours will be cancelled on December 28, 2022
- The next CDBG Office Hours session will be held on January 11, 2023
- A new registration link will be sent out via e-blast. Re-registering will be required to receive the updated office hours link for the 2023 webinar series
- If you have any questions in the meantime, please send them to CDBG@hcd.ca.gov



CDBG Program Updates

2020 CDBG NOFA

- All Executed

2021 CDBG NOFA

- 64 applications submitted and reviewed for threshold
- 46 Recommended for award
- 2 Recommended for award and Routing
- 3 Pending final approval
- 2 Pending acceptance
- 38 Approved
- **Reminder: Please look out for the pending acceptance and Subrecipient change request.** You will receive an autogenerated email from eCivis when your agreement is pending acceptance. Grantees only have 30 days to accept their standard agreement. Your HCD rep will be reaching out to follow up on pending acceptance.

2022 CDBG NOFA

- 64 applications submitted
- Management threshold reviews are currently in process.
- Disqualified applications letters will be sent out via email within the next two weeks. If any delays, I will advise in the next office hours.



CDBG-CV Set-Asides

CDBG-CV Homekey Set-Aside*

- 25 Submitted Applications:
 - 1 Rescinded by applicant
 - 0 Routing
 - 2 Pending Signatures
 - 22 Approved

CDBG-CV Tribal Set Aside*

- 19 Submitted Applications:
 - 1 Rescinded by Applicant
 - 4 Awaiting Corrections
 - 0 Routing
 - 1 Pending Signatures
 - 13 Approved

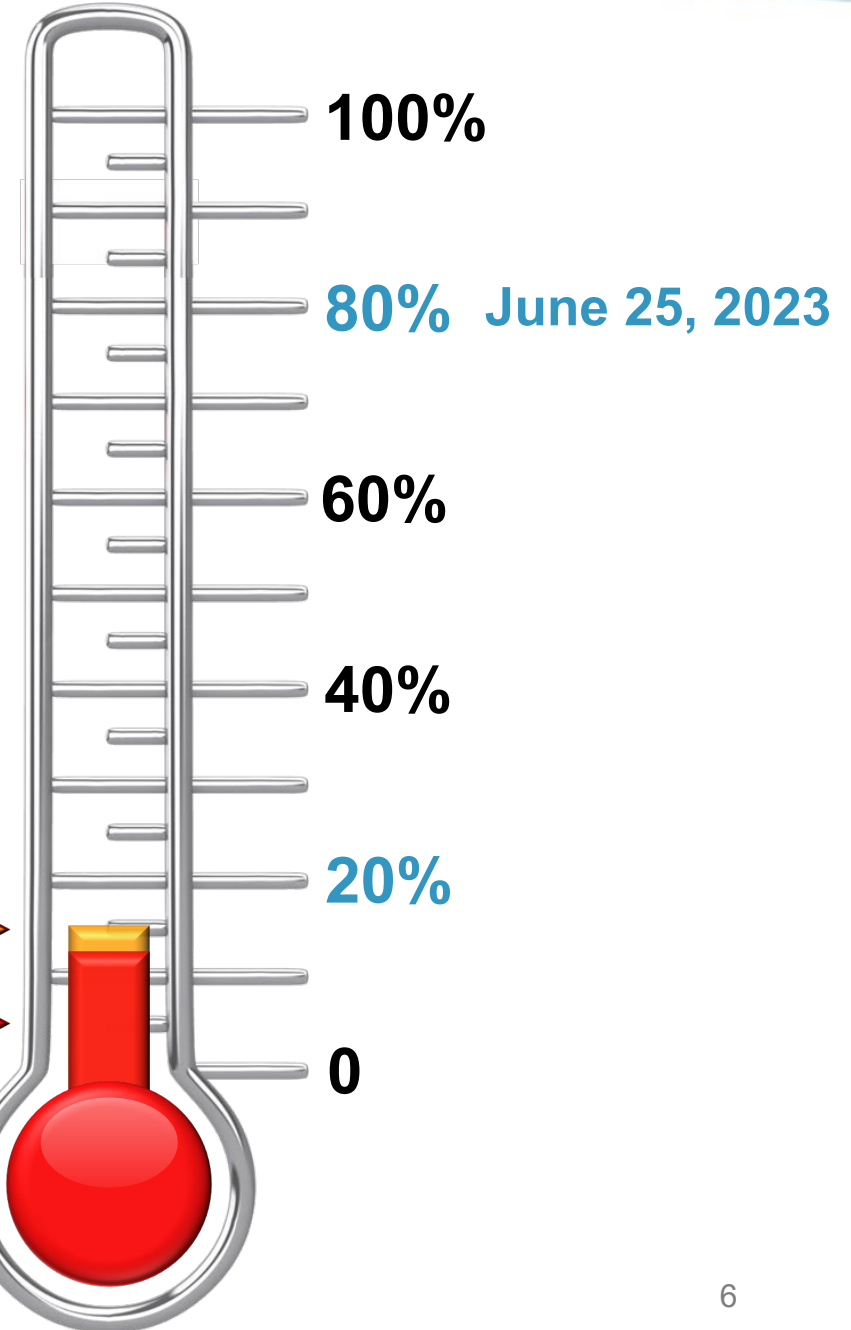
*As of 11/29/2022



CDBG-CV Expenditure Thermometer

\$150,626,712

\$120,501,369



As of 12/12/2022:

- Total Disbursed: \$18,780,060
- Total Pending: \$4,376,718

Total:
\$23,156,778

Remember:

- CDBG-CV withdrawal deadline is December 31, 2022.
- Deadline for submitting a financial report with a funding request is January 31, 2023.



****Save the Dates****

Listening Sessions in the New Year to get your feedback for the 2023 Annual Action Plan, CDBG NOFA, & beyond

- January 19, 2023 2:30 pm – 4:00 pm
- February 1, 2023 9:00 am – 10:30 am



Proposal for 2023 Notice of Funding Availability

- In the first half of 2023, focus should be on fully expending CDBG-CV awards so that the state can reach the 80% expenditure deadline of 6/25/2023.
- NOFA will be released in June 2023 to allow jurisdictions to focus on CDBG-CV spending in the first half of 2023.
- Once the NOFA is released, there will be a preference period for applications from 2019-2020 OTC waitlisted projects



Proposal for 2023 Notice of Funding Availability

- ALL OTC applications must have a nexus to housing or economic development to comply with state statute:
 - Per CA Health and Safety Code 50828: at least 51 percent of CDBG funding available, shall be made available for activities providing or improving housing opportunities or for purposes directly related to the provision or improvement of housing opportunities for low- and moderate-income households, including but not limited to the construction of infrastructure.
 - Per CA Health and Safety Code 50827: 30 percent of the CDBG funding available shall be set aside for economic development projects and programs.
- We will reduce the number of applications grantees can submit to increase probability of being funded and reduce administrative burden for grantees and staff.



Proposal for 2023 Notice of Funding Availability

- We will reduce the number of threshold items.

Examples of threshold items that will remain:

- a. Resolutions must be correct
- b. Environmental review record must be complete
- c. Engineer's cost estimates must be submitted (e.g)

Examples of correctable items:

- a. Budgets
 - b. Debarment checks
- Design of CDBG will be consistent from year to year so that grantees will know year after year what to expect.
 - Timeline will gradually shift back toward January in future NOFAs

Got Feedback? Send to: 2023-CDBG-NOFA@hcd.ca.gov



Proposed Streamlined Method of Distribution

HCD CDBG NOFA

Over the Counter (81%)

Economic Development
Housing Assistance
Infrastructure and Public Facilities

**Include set-asides for Colonias and
Non-Federally Recognized Tribes

Competitive (9%)

Public Services
Planning

**Include set-asides for Colonias and
Non-Federally Recognized Tribes

Got Feedback? Send to: 2023-CDBG-NOFA@hcd.ca.gov

Questions and Answers: Recap from Prior Office Hours





NEPA Assist report

Question

Is anyone having trouble generating the NEPA Assist report? It only generates the map and there is no list underneath.

Answer

On the landing page, there is a section on the right-hand side that says Help Page, and we would suggest you download that. If you scroll down to page fifteen, you will find step-by-step instructions on how to navigate the process: Start by defining your area for the report - go up to the draw feature and you'll find options to draw in multiple ways. The easiest way may be a polygon and sketch out the area. Then you'll be prompted to produce the NEPA Assist Report, which will produce a report that lists items you may want to know more about.

From: Office Hours 11/30/22



Training Fees

Question

Are training fees an allowable expense if they relate to CDBG?

Answer

If the training is for someone to perform their role for a CDBG program, then yes this is allowable. Depending on the nature of the training, the category to which to charge the training expense will vary. If the training is to assist personnel on completing anything under Activity Delivery, then it can be charged to that category. If it is for CDBG administration, the training should be charged to General Administration. If you have more questions, please reach out to your HCD rep or your grant administrator.

From: Office Hours 11/30/22



CDBG Procurement

Question

Does CDBG procurement allow or encourage bid preference for MBE contractors in a sealed bid construction procurement? GMM states low bid must be selected. Please confirm/clarify.

Answer

There are requirements for grantees in the solicitation of services to ensure you are marketing to minority enterprises and minority and women-owned businesses. There are some requirements to ensure you make efforts to broaden your solicitation to include those special groups. By the time you're receiving and selecting bids, an invitation to bid, or a request for bid, as noted in the GMM, it does require the lowest responsible bidder. The effort for those minority and women-owned businesses is really at the onset of procurement, not at the selection of the contractor.

From: Office Hours 11/30/22



Micro Enterprise Program

Question

We have a micro enterprise loan program (20-CDBG-12075) where we are amending the program guidelines from forgivable loans to grants. Is there any guidance or examples of successful loan to grant amendments we can model our new program guidelines on?

Answer

HCD does not have any required threshold levels or amounts for forgivable loans. These are standards established by the grantee. You may want to reference the Section on “Allowable Award Structures” in the HCD Economic Development Appendix to the Grants Management Manual for help with this. <https://www.hcd.ca.gov/sites/default/files/2022-07/Appendix-D-Economic-Development-Manual.pdf>

Guidance on microenterprise underwriting is found in the Economic Development Toolkit Manual on HUD Exchange:
<https://files.hudexchange.info/resources/documents/Economic-Development-Toolkit-Manual.pdf>

From: Office Hours 11/30/22



Bids and Section 3

Question

The City of Weed is going out to bid for a public works project that will trigger Section 3 requirements. So as not to recreate the wheel, would any jurisdictions be willing to share their Request for Bid packages with me that have the new Section 3 requirements in them? bcaporaso@gnservices.org. Thank you!

Answer

The CDBG-DR packet online has Section 3 materials. The GMM Procurement chapter is getting finalized through equity review and we hope to have it posted shortly. There are some revised clauses for Section 3 and updates on the Section 3 compliance within the procurement. This chapter will be live soon, but your Grant Administrator or HCD Rep can provide these materials in the interim or share content if needed.

Link to the HCD CDBG-DR Resources: [Disaster Grant Administration & Reporting | California Department of Housing and Community Development](#)

From: Office Hours 11/30/22



Disencumbering

Question

If you want to disencumber a portion of your award is that due by 12/31? We will use a portion of funding but not all.

Answer

We would like to know about all withdrawals by the end of the year. Please submit an amendment to the award not a withdrawal. You can reach out to your grant administrator for further guidance.

From: Office Hours 11/30/22



Rent Assistance

Question

Does CDBG-CV2 cover rent assistance for applicants who have rental cost owed when they have already been evicted and are no longer living at the owed residence?

Answer

Our assumption is no because the intent of CDBG-CV Subsistence Payment programs is for the rental assistance to keep folks in their housing units. Grantees should review the subsistence payment program guidelines that HCD published in the Spring when the program relaunched in May when ERAP ceased. Also look at your local guidelines. If the household is behind on their rent in a new residence and there is a COVID nexus, then they would qualify for assistance. The purpose of the program is to keep the beneficiary housed.

From: Office Hours 11/30/22



Bid Packages

Question

Regarding Brandy's request, the County of Merced is in the same position. If jurisdictions have Request for Bid packages with Section 3 requirements, could you please share with me? Patti.Dossetti@countyofmerced.com. THANK YOU IN ADVANCE!!

Answer

We will make sure to provide the materials that the CDBG-DR has put together on Section 3.

From: Office Hours 11/30/22



Eligible billing

Question

Can we bill attendance these meetings to CDBG-CV grant admin?

Answer

Yes, you can.

From: Office Hours 11/30/22



Section 3

Question

Regarding Section 3 - can you remind me, is it HCD's intention to use the new HUD forms that you have been referencing in your materials moving forward? Also, due to the new Final Rule, we haven't had to report on Section 3 in the last few cycles...is it HCD's intention that they are going to eventually produce a report for that? 2nd part, will each jurisdiction have to go back and "catch up" on all projects?

Answer

The forms provided to CDBG-CV grantees are sample forms and you are not required to use them, grantees have also developed their own Section 3 forms. HCD is still working on a cohesive approach on Section 3 to ensure compliance. As to the final rule in reporting: the new rule changed. With the old rule you reported on new hires. The system that HUD used to collect new hire data is no longer open and available for states to enter information. The direction given on old projects is to maintain the information already gathered, but there is no avenue to report it to HUD. For CDBG-CV HCD will require reporting on Section 3 on your grant closeout. In the meantime, HCD will provide links for Section 3 guidance provided from the CDBG-DR team.

From: Office Hours 11/30/22



Records retention

Question

I understand that the records retention for CDBG is forever. Are hard copies required or are electronic files acceptable? I ask as we have many years of CDBG files and have limited storage space. I am also wondering if a checklist exists that determines which specific documents must be retained per each award, perhaps organized by type of award.

Answer

HCD does not have a records retention checklist, but we want to encourage all grantees to maintain accurate and complete records throughout the program. There is a checklist generated by HUD in this handbook: [Playing by the Rules: A Handbook for CDBG Subrecipients on Administrative Systems - HUD Exchange](#). This checklist gives you a record keeping checklist for tracking activities that could also be used as a record retention checklist. It also references all the retention schedules.

From: Office Hours 11/30/22



Eviction Fees

Question

I have been unable to locate updates on eviction fees in the CDBG website. Has there been any updates on the CDBG-CV programs allowing eviction legal fees to be covered with past due rents?

Answer

CDBG subsistence payments are designed to keep people housed so eviction fees are generally not allowed. A program can allow for payment for a household's new housing situation. If you have a particular scenario you wish to run by us, please reach out to your HCD Rep or your Grant Administrator.

From: Office Hours 11/30/22



Section 3

Question

We have reached out to our CDBG CV rep with our Section 3 questions but are not receiving the information needed. Our project is falling behind its projected timeline due to concern and confusion over Section 3 compliance. If jurisdictions have EXAMPLES that we can use, it would be very appreciated. Thank you again in advance.

Answer

We can provide some technical assistance and schedule a call to address any confusion. HCD has a lot of online resources, and in November, Section 3 materials were finalized and sent for posting. We will ensure that we send out these resources again and they get to the right people. Feel free to also reach out with any questions to Mamie Early, CDBG Manager, or your Grant Administrator.

From: Office Hours 11/30/22



2023 NOFA

Question

I apologize for missing the first part of this meeting, but was there an update on when you expect the 2023 CDBG NOFA to be released?

Answer

There was not. We are proposing a June 2023 NOFA release date to allow for focus on reaching the CDBG-CV 80% expenditure deadline of June 25, 2023. We will be holding listening sessions in January, and are requesting feedback. You can also submit feedback to 2023-CDBG-NOFA@hcd.ca.gov

From: Office Hours 11/30/22



Office Hours table of contents

Question

Is there a table of contents for office hours recordings? It would be very helpful when we are looking for info on a particular topic.

Answer

Office Hours does not have a table of contents. We have FAQs that review many topics discussed during Office Hours. We are working on revamping our FAQ document, so the topics and subjects align with our Grants Management Manual.

From: Office Hours 11/30/22



Section 3 bid package

Question

If Section 3 is wrong in bid package can it be addressed in contract?

Answer

Unfortunately, no, if you misinterpreted the compliance requirement it cannot be corrected in contract. If you realize you have an error and your bid is still open, you can amend and extend the deadline to submit responses.

From: Office Hours 11/30/22



SAM bid language

Question

Is there an update on the SAM bid language that was discussed in previous office hours?

Answer

We are working on a guided document which will be a helpful tool. The tool is coming soon. We appreciate everyone's patience.

From: Office Hours 11/30/22



Section 3

Question

Are the Section 3 forms in the appendices with the GMM still accurate to use?

Answer

We are doing equity revision on the new tools, which will be posted in the next month. The information for tracking new hires is outdated and should not be used. We will provide a link to resources you should use in next week's office hours.

Update: Our CDBG-DR team provided trainings on Section 3. Please visit the [Disaster Grant Administration & Reporting](#) website. Click on the 'Subrecipient Trainings' section and scroll down to find the Section 3 resources.

From: Office Hours 11/30/22

Questions and Answers

