



California Department of
Housing and Community Development

Community Development Block Grant **2023 Notice of Funding Availability**

*Division of Federal Financial Assistance, Federal
Programs Branch*

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FUNDING AVAILABLE

The California Department of Housing and Community Development (Department) announces the availability of approximately \$19 million in funding through the federal Small Cities Community Development Block Grant Program (CDBG) for the 2023 funding year.



Housekeeping

- Goal of this Workshop – Go over information that is not already in existing training materials or in the NOFA materials
- Questions – If a question is answered in one of our online training aids or is explicit in the NOFA or Appendices, we'll direct you to those resources
- Process – Staff will be recording any questions we can't answer here and will be regularly updating a FAQ regarding NOFA and CDBG Program questions and updates to the eCivis application.



WHAT'S NEW IN THIS NOFA?

- Limited to shovel-ready projects from the 2019-2020 NOFA OTC waitlisted projects
- 60-day period from the open date to submit a complete application
- Awards made on first-come, first-served basis
- Can only apply for original amount requested
- Phased implementation of the Build America Act. Infrastructure projects must use iron and steel produced in the United States

Tentative Timeline

CDBG NOFA & Application release	September 29, 2023
Application opens for submittal	October 30, 2023
Application deadline	When funds are exhausted or 60 days from application open date at 3 p.m. pst, whichever comes first
HCD announces awards	Rolling basis (January – April 2024)
Contract Execution	Rolling basis (March – May 2024)
Expenditure Deadline	2 years, 9 months from contract execution



WHAT'S NEW IN THIS APPLICATION?

- Meet threshold prior to application deadline
- Debarment must be submitted, but no longer a Threshold item
- Standard Agreement term is 36 months.
The Expenditure term is 33 months
- State Objectives removed and replaced with questions on how project Affirmatively Furthers Fair Housing and supports Disaster Resiliency
- Public right-of-way and easement activities must submit an opinion of Counsel.
- Applicants will certify participating in the 2023 CDBG Application training

Program Requirements

Application

- Limits & Requirements

Eligible Activities

- Low to Moderate Income (LMI)

Activity Milestones





Application Requirements

Workshops

The Department is conducting a series of application workshops. Applicants will certify participating in the 2023 CDBG Application training

- Resolutions: What is required and why
- Completing the correct level of Environmental Review
- Pulling a debarment check
- Completing the eCivis Grants Network Budget
- Selecting the correct National Objective & Matrix Code
- Writing a narrative
- Addressing racial equity in your CDBG funded projects and programs
- Single Audit Requirements
- Completing the 2023 CDBG NOFA Application



Application Limits & Requirements

- Limited to the **amount previously requested** under the 2019-2020 application, Program Income can be included in the budget.
- Applicants may request up to a flat 7% of total funding for administrative costs (plus 17% of PI).
- Demonstrate Housing Element Compliance
- Must sign certificates regarding Growth Control Limitations
- **Eligible applicant** must have an application submitted with the correct matrix code and national objective combination, scope of work and milestone timeline, budget, etc.
- CDBG Workshop attendance is **mandatory**.



Eligible Activities

- **Under this NOFA**, funds are provided as grants to non-entitlement jurisdictions for project applications for CDBG eligible activities that were waitlisted under the 2019-2020 Over-the-Counter waitlist.
- Federal & State Law require CDBG costs to be:
 - Eligible
 - Necessary
 - Reasonable
 - Demonstrate no duplication of benefit
 - Not be used to supplant local or state resources; and
 - Be guarded against fraud.



Eligible Activities continued

All activities must meet one of the following CDBG National Objectives:

- Benefit low- and moderate-income persons
- Aid in the prevention or elimination of slums and blight (SBA & SBS)*
- Meet certain urgent community needs *

Applicants are expected to plan activities that will reduce disparities and increase racial and socioeconomical equity in their communities.

***(need HCD approval prior to use)**



Low to Moderate Income (LMI)

Low to Moderate Income Benefit

- Low/Mod Area (LMA): Activity is available to all the residents of a designated low/mod income service area
- Low/Mod Clientele (LMC): Activity is provided to a specific group of eligible persons
- Low/Mod Housing (LMH): Housing activity provided to a specific group of eligible persons
- Low/Mod Jobs (LMJ): Activity that creates or retains jobs for primarily low/mod income persons



Milestones

Applicants must include at least **five** milestones per activity application. All milestones will be defined and implemented through the Standard Agreement. **The first and last milestone will be prepopulated and cannot be edited by Applicants.**

- ❖ Milestone One: Activity Initiation. Must be completed no later than 60 days from contract execution
- ❖ Milestone Two: *Example* - First draw of grant funds 90 days from contract execution.
- ❖ Milestone Three: *Example* - 50 percent completion no later than 180 days from contract execution
- ❖ Milestone Four: *Example* - Final date to incur costs no later than 2 years and 9 months from contract execution
- ❖ Final Milestone: Activity closeout (must be completed no later than 90 days after the Expenditure Deadline)

Application Threshold and Initial Requirements

Threshold Requirements
Federal Program Requirements





ATTENTION PLEASE

The Department **strongly recommends** a careful review of the application, instructions, 2023 NOFA, and all appendices **PRIOR** to beginning the application.

Failure to meet threshold WILL result in immediate disqualification (DQ).



Threshold Requirements

- Eligible Applicant (as defined in previous slides)
- Site Control
- Statement of Assurances
- Citizen Participation
- Taxpayer Identification Number (TIN)
- Resolution
- eCivis Budget Templates
- Sources & Uses Chart (Duplication of Benefits)
- Submit Affirmatively Furthering Fair Housing and Disaster Resiliency response
- Readiness Criteria Documentation
- NEPA (Activity and General Admin)
- Single Audit Documentation



Federal Program Requirements

- Lead-based paint requirements
 - No use of debarred, ineligible, or suspended contractors or sub-recipients
 - Uniform Administrative Requirements and Cost Principles
 - Conflict of interest prohibitions
 - Compliance with the Architectural Barriers Act and the ADA
 - Compliance with Eligibility Restrictions for certain resident aliens
 - Federal reporting requirements
 - Grant and subrecipient monitoring requirements
 - Build America, Buy America Act requirements (BABA)
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Build America, Buy America (BABA) Act

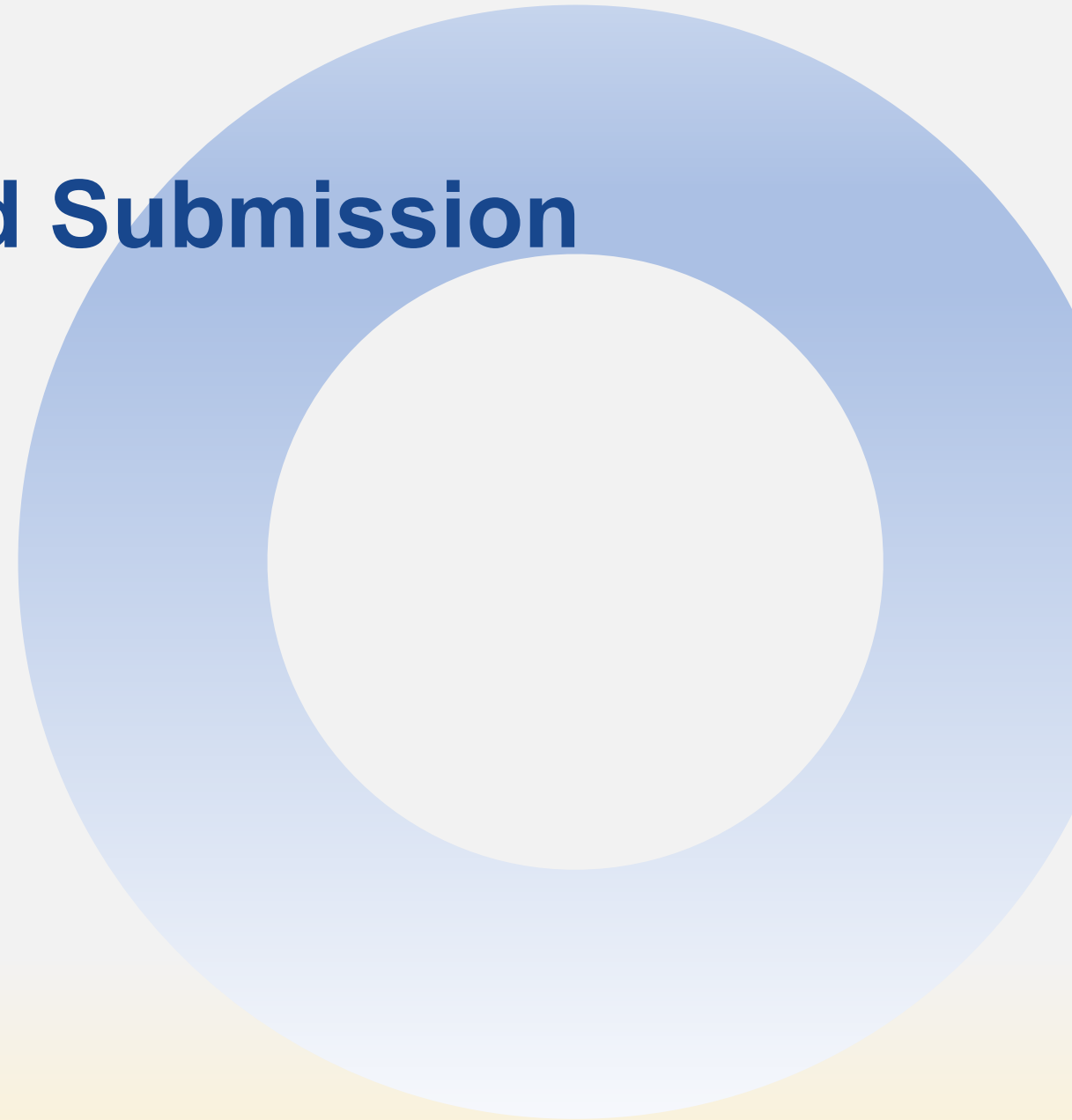
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- Established Buy America Preference (BAP) for Federal financial assistance obligated for infrastructure projects
 - Requires all iron, steel, manufactured products, and construction materials are produced in the United States
 - HUD requires compliance with BAP for funds obligated on or after November 14, 2022
 - Currently waived for projects whose total cost is less than \$250,000 and for a *de minimis* portion of all projects
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False, Fictitious or Fraudulent Claims

Warning: Any person who knowingly makes a false claim or statement to HUD or the Department may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

Application, Activity, and Submission Requirements





Application, Activity, and Submission

Application Certification and Verification

- Applicant must certify application is true and correct.
- Jurisdiction must be the Applicant
- Circumventing the application invalidates the submission.

Timely Submissions

- Give plenty of time for submitting prior to the cutoff date and at least several hours prior to the cutoff time.
- Submission Deadline is until funds are exhausted or 60 days after application open date (at 3 p.m. pst)
- Submission Deadline(s) will NOT be extended
- Report issues to: CDBG@hcd.ca.gov

Gap/“But-For” Funding

- CDBG provides stop-gap funding for crucial infrastructure, public safety, housing, and social service projects.
- CDBG funds must be “but-for” funding for every Activity and may not be used to supplant local or state resources. Or used to replace funds that have been budgeted and/or expended from another funding source for the same Activity



Application, Activity, and Submission continued

Good Standing

The Applicant, and any co-Applicant must be in good standing with HCD. Current on all loan and/or grant obligations and have a satisfactory past performance history in all their prior dealings with the Department.

Article XXXIV - Sufficient local authority for low-income housing projects

Racial Equity

Ensure racial equity in access to programs, projects, and activities funded with CDBG resources. Applicants must commit to analyzing disproportionality in access to housing, access to services, quality of service provision, and desired outcomes in Programs and Projects and affirmatively further equitable access, quality of service provision and outcomes for protected classes, including but not limited to Black, Native and Indigenous, Latino/Latina/ Latinx, Asian, Pacific Islanders, and other people of color who have been historically marginalized and are disproportionately impacted by housing segregation, poverty, and homelessness.



Application, Activity, and Submission continued

Application Submission

- Certify attendance at workshops
- Follow the instructions in the NOFA, the online application, and the CDBG Program Guidelines

Application Review

- All applications that pass threshold will be reviewed for Activity eligibility.
- Activities that do not meet program eligibility requirements will be disqualified.

Award Recommendations

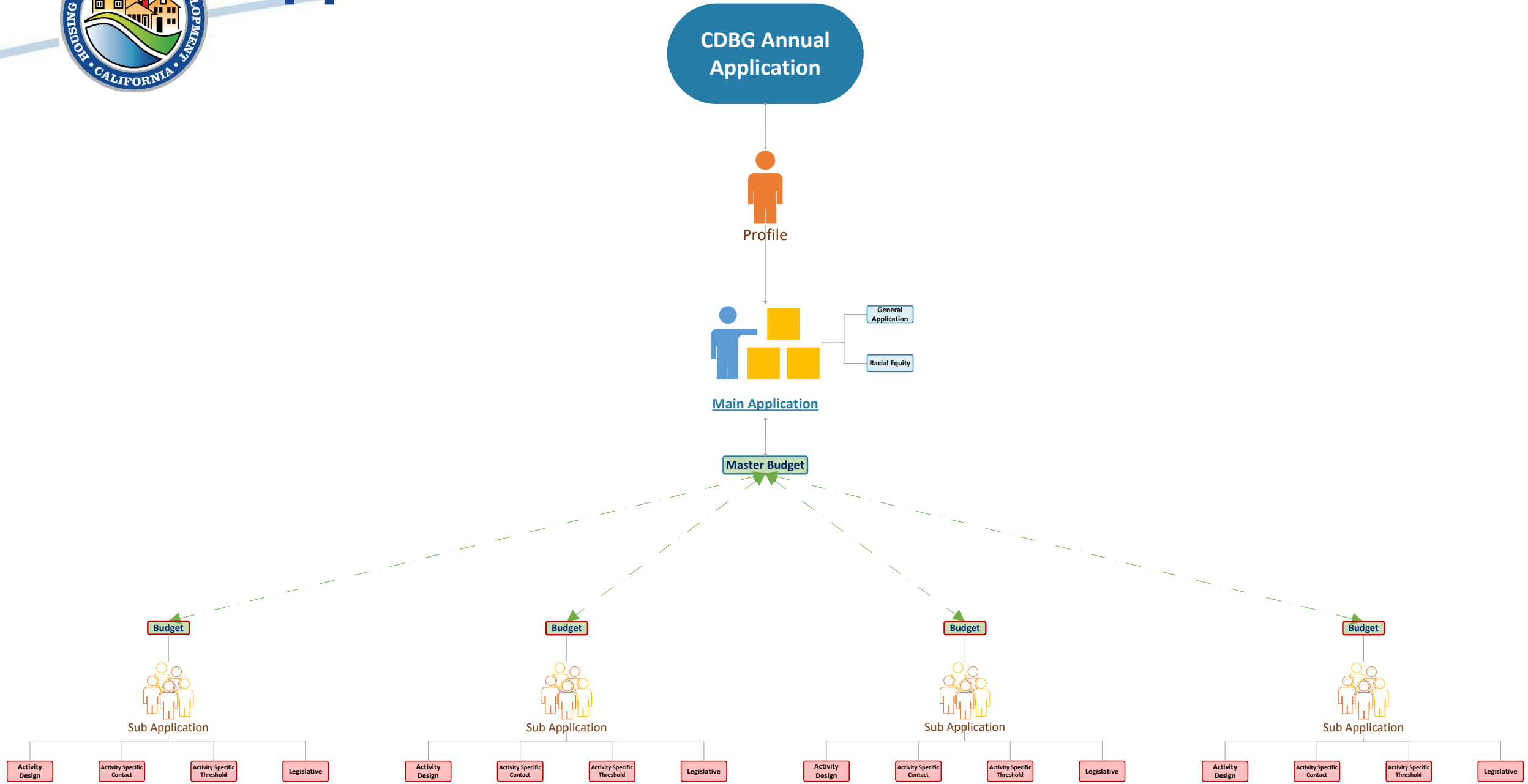
- Applications that are eligible, complete, and satisfy all threshold requirements may be recommended for funding to the Internal Loan Committee for award approval.
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Application Review





Application Overview



Awards Announcement and Grant Implementation

- Awards & Appeals
- Standard Agreements
- Federal Requirements



Awards & Implementation

- Award Announcements will occur no later than April 30, 2024.
 - ❖ CDBG staff will not be able to discuss applications or the status of applications.

 - Appeals must be made in writing.
 - ❖ Appeals must be received by HCD no later than ten (10) business days from the date Applicant is notified that their application has failed to move forward
 - ❖ Late appeals will not be reviewed.

 - Standard Agreements
 - ❖ A condition of award will be that a Standard Agreement **must be executed** by the awardee **within 30 days**
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Resources

- 2023 CDBG NOFA
- Grants Management Manual
- [Community Development Block Grant Program \(CDBG\) | California Department of Housing and Community Development](#)
- eCivis

