



California Department of
Housing and Community Development

Community Development Block Grant 2024 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 \$34 million** in funding through the federal Small Cities Community Development Block Grant Program (CDBG) for the 2024 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?





WHAT'S NEW IN THIS NOFA?

- Comprehensive list of eligible activities under this NOFA.
- Updates to Competitive & Over-The-Counter Application process
- Addition of Housing & Economic Development Programs
- Updated application process, funding limits, and total number of applications per jurisdiction.
- Applicants must demonstrate compliance with Build America, Buy America (BABA), as applicable.
- 50% Rule for ANY Planning or Public Service grant, regardless of Matrix Code.
- Updates to documentation for site control for all CDBG-funded programs.



WHAT'S NEW IN THIS NOFA?

- Required membership in local Continuum of Care (CoC) for Homelessness Assistance Activities (Matrix Codes 03C or 03T)
- Permit requirements for competitive projects
- **Authorized Signatory** for cities must be Mayor or Mayor pro tempore *unless* there is an ordinance or municipal code designating another position.
- Complete Law & Authority topic worksheets must be included with all Environmental Review Records.
- All OTC applications must demonstrate readiness.

Tentative Timeline

| | |
|------------------------------------|---|
| CDBG NOFA release | August 30, 2024 |
| Application opens for submittal | October 29, 2024, at 9AM P.D.T |
| Application Deadline - Competitive | December 30, 2024, at 3PM P.D.T |
| Application Deadline - OTC | When funds are exhausted or December 30, 2024, at 3 p.m. P.D.T, whichever comes first |
| Contract Execution - Competitive | May 2025 |
| Contract Execution - OTC | Rolling basis (Starting May 2025) |
| Expenditure Deadline | 2 years, 9 months from contract execution |

Program Requirements

Application

- Types, Limits & Requirements

Eligible Activities

- Low to Moderate Income (LMI)

Activity Milestones



Application Types

Competitive

- Planning
- Public Service

Over-The-Counter

- OTC Projects
- OTC Programs
 - Housing Program
 - Economic Development (ED) Program



Application Limits

Maximum number of applications: 3

- **ONLY Acceptable Application Combinations**
 - 1 OTC Project + 1 OTC Program + 1 Competitive
 - 1 OTC Project + 2 Competitive
 - 1 OTC Program + 2 Competitive
 - 2 Competitive
 - 2 Public Service **OR**
 - 2 Planning **OR**
 - 1 Public Service + 1 Planning application.



Application Limits

(continued)

Funding limits

\$3.6 million per jurisdiction for ALL activities

- **Competitive:** Not to exceed \$300,000
- **OTC Projects:** Not to exceed \$3.3 million
- **OTC Programs:** Not to exceed \$1.5 million

Reminder:

- CDBG Program Income (PI), as well as the Colonias & Native-American set-aside, **does not count against** the maximum award limit.
- Applicants **may** request up to 7% of total funding for GA costs (**plus 17% of annual PI receipts**).
 - **GA Calculation:** Total Activity (Activity + Activity Delivery) x 7%
 - We do have a GA calculator document that can be used to help ensure accuracy.



Application Requirements

Eligible applicant must

- A non-entitlement jurisdiction.
- Demonstrate **Housing Element (HE)** compliance.
 - **At a minimum**, draft or adopted HE **must** be submitted **prior** to application submission.
 - Failure to complete HE process timely will be ineligible for funding.
- Sign form, regarding **Growth Control Limitations**
 - **Form:** *2024 CDBG Application Certifications and Statement of Assurances*
- Submit a **complete application**
 - 1 Main Application + 1 Sub Application **PER** Matrix Code
- Application must be for an **eligible Activity and National Objective code combination**
 - [IDIS CDBG Matrix Code/National Objective Table \(ca.gov\)](https://www.ca.gov)



Application Requirements

(continued)

CDBG NOFA Workshops

Applicants are **required** to attend or watch recorded video of these workshop sessions.

Applicants will certify participating in this application training.

Training Topics:

- Resolutions: What is required and why
- Public Participation
- Completing the correct level of Environmental Review
- Pulling a debarment check
- Selecting the correct National Objective & Matrix Code
- Writing a narrative & milestones
- Single Audit
- Addressing racial equity in your CDBG funded projects and programs
- Completing the 2024 CDBG NOFA Application & Budget
- 2024 NOFA Review (this Webinar)



Eligible Activities

- **Under this NOFA**, funds are provided as *grants* to non-entitlement jurisdictions for project applications for eligible CDBG activities.
- All CDBG funded-activities must meet the following National Objective:
 - **Benefit low- and moderate-income (LMI) persons**
- Applicants are expected to plan activities that will reduce disparities and increase racial and socioeconomical equity in their communities.
- **Federal & State Law require CDBG costs to be:**
 - Eligible
 - Necessary
 - Reasonable
 - Not be used to supplant local or state resources; and
 - Be guarded against fraud.



Eligible Activities: OTC Program - Economic Development

- **Acceptable Program Combinations:**
 - 18A – Economic Development Direct Financial Assistance to For-Profit Business
 - 18B – Economic Development Technical Assistance
 - 18C – Economic Development: Microenterprise Assistance



Eligible Activities: OTC Program - Housing

- **Acceptable Program Combinations**
 - 13A – Housing Counseling
 - 13B – Single Family (1 - 4 units) Homeownership Assistance
 - 14A – Single Family (1 - 4 units) Housing Rehabilitation
 - 14F – Single Family (1 - 4 units) Energy Efficiency Improvements
 - 15 – Code Enforcement (**Only available with a Housing Program**)



Code Enforcement

- Under this NOFA, Code Enforcement (CE) will only be made available under a Housing Program.
- If there is not an existing Housing Rehab (HR) program, the Housing Program application with CE **must** include one of the Housing Rehab (HR) matrix codes.
- The focus of CE will be on health and safety issues in **buildings and structures**
- To gain compliance with HUD's intent for this type of program, applicants with CE **must** demonstrate a ratio of:

\$1 CE : \$2.50 HR



Code Enforcement

(continued)

To clarify on the **\$1 CE : \$2.50 HR** ratio:

- For every \$1 of code enforcement funds requested, Applicants must have \$2.50 in **demonstrated** or **applied for** funds for a Housing Rehabilitation Program.
 - “**Demonstrated**” refers to housing rehabilitation program(s) already in existence within the Applicant’s jurisdiction.
 - “**Applied for**” funds refers to a housing rehabilitation program through this Application.



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 Clientele, Micro-Enterprises (LMCMC):** Activities that benefit micro-enterprise owners/developers who are low/mod income.
- **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.
- **Important Changes:**
 - The **first and last milestone** will be prepopulated and **cannot** be edited by Applicants.
 - **Failure to meet the first milestone** is a material breach of the Standard Agreement and **will result in a for-cause termination** of this agreement.



Milestones

(continued)

- ❖ **Milestone One (required):** Activity Initiation. Must be completed no later than 60 days from contract execution
- ❖ **Milestone Two: *Example*** - Release Invitation for Bid (IFB) within 90 days of Standard Agreement execution by HCD
- ❖ **Milestone Three: *Example*** - Execute contract with a General Contractor within 120 days of Standard Agreement execution by HCD
- ❖ **Milestone Four (optional): *Example*** - Begin construction within 9 months of Standard Agreement execution by HCD
- ❖ **Milestone Five: *Example*** - Record notice of completion within 2 months of project completion.
- ❖ **Final Milestone (required):** 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, 2024 NOFA, and all appendices **PRIOR** to beginning the application.

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



Threshold and Initial Requirements

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



Federal Program Requirements

- Must comply with and have documentation of meeting federal cross-cutting 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 Requirements

Application Certification and Verification

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

Timely Submission

- **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 technical issues, including error screenshots, immediately 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 Requirements

(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.

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.
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Application & Activity Requirements

(continued)

Unhoused (Homeless) Assistance

- Must be a member of the local Continuum of Care (CoC).

Readiness - Applications must demonstrate readiness to be considered for funding.

Scoring

- Qualifying competitive applications will be scored according to criteria in Appendix F.
 - Applications requiring the least number of corrections will score higher.
 - Qualifying competitive applications will be ranked based upon highest score.
 - Applicants will be notified, and the Final Award List posted to the CDBG webpage.
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Submission Requirements

- Certify attendance of workshops.
 - Follow the instructions in the NOFA, the online application, and the CDBG Program Guidelines
 - Submit a **correct** and **complete** application. (Refer to Permitted Application Combinations)
 - **Please note:** The official "submission date/time" of an application is the time that **both** a main and sub application is submitted - whichever is later. **Meaning**, if you submit a sub application on November 1st but do not submit the main application until November 14th, your submission date is November 14th. Every subsequent sub application will have a submission date/time of the respective sub application.
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Application Review

Readiness & Submission





Application Review – Readiness

- Applications must demonstrate readiness to be considered for funding.
- To be considered “ready,” a program will need to provide the following at application submission:
 - Draft or final program guidelines,
 - 3rd party contractor either secured, or a draft RFP/RFQ to be released within 60 days of Standard Agreement execution
 - **Housing and Economic Development Programs/Projects:** Marketing plan or strategy.



Application Review - Submission

Submitted applications must be complete to be reviewed

- A complete application consists of:
 - 1 Main Application + 1 Sub Application **PER** Matrix Code
- OTC Programs with **multiple activity types (multiple matrix codes)** will be considered as a single application.
 - If awarded, it will be funded under a single Standard Agreement.

Please participate in the LIVE Application & Budget Webinar on Tuesday, September 10, 2024, at 2PM for more information!



Application Review – Submission

(continued)

- All applications submitted by the application deadline (**Competitive Applications**) or until funds are exhausted (**OTC Applications**) that pass the Threshold evaluation phase will be reviewed for Activity eligibility.
- Activities that do not meet program eligibility requirements will be disqualified for funding.

Competitive Review

- All applications will be reviewed for minimum Threshold Requirements
- If minimum Threshold Requirements are met, applications will be scored as outlined in *CDBG Scoring Matrix* (Appendix F)

OTC Review

- Applications will be reviewed in order received for minimum Threshold Requirements.
- If minimum Threshold Requirements are met, funds may be allocated for an award.
- Once all funds are allocated and it has been announced that all funds have been exhausted, additional OTC Applications may not be reviewed.

Awards Announcement and Grant Implementation

- **Awards & Appeals**
- **Standard Agreements**
- **Federal Requirements**



Awards & Implementation

- Award Announcements will occur no later than **May 2025**.
 - ❖ 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 five (5) business days from the date Applicant is notified that their application has failed to move forward
 - ❖ Criteria for Competitive Applications and OTC Appeals are outlined in the NOFA.
 - ❖ 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 (contracting period) of the awardee's receipt** of the Standard Agreement(s).
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Resources

- CDBG Website & eCivis
- CDBG Grants Management Manual (Website)
- 2024 CDBG NOFA (Website & eCivis)
- CDBG Grants Management Manual

Link to Website:

[Community Development Block Grant Program \(CDBG\) | California Department of Housing and Community Development](#)



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Notice of Funding Availability Calendar Now Available

View 2023-24 targeted release dates for draft guidelines, NOFAs, and awards.

[View calendar](#)

California Department of Housing and Community Development Notice of Funding Availability Calendar 2023-2024

** All NOFA amounts are presented in millions and are estimates subject to change based on the availability of funds at the time of NOFA issuance **

| Funds Available by Quarter | \$820 Million | | | \$876 Million | | | \$145 Million | | | \$737 Million | | | \$TBD Million | |
|--|---------------|--------|--------|---------------|--------|--------|---------------|--------|-----------|---------------|--------|--------|---------------|----------------------------|
| | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 |
| Greenhouse Gas Reduction Fund NOFA Amounts in Millions | | | | | | | | | | | | | | |
| Climate Resilient and Sustainable Communities Program | | Awards | | | | | NOFA \$100 | | Apps Due | | | | | Awards |
| SB3 - Veterans and Affordable Housing Bond Act (Prop 1) and Subsequent General Fund Augmentations NOFA Amounts in Millions | | | | | | | | | | | | | | |
| Planning Program | | | | | | | | | | | | | NOFA \$20 | |
| Climate Resilient and Sustainable Communities Program | | | | | | | | | | | | | NOFA \$40.5 | |
| Climate Resilient and Sustainable Communities Program - Multifamily Projects | Apps Due | | | | | | | | | | | | NOFA \$150 | Apps Due |
| Climate Resilient and Sustainable Communities Program - Qualifying HPI Projects and Adaptive Reuse | | | | | | | | | | | | | NOFA \$207 | |
| Climate Resilient and Sustainable Communities Program | | | | | | | | | NOFA \$2 | | | | | Applications Accepted Over |
| Climate Resilient and Sustainable Communities Program - Qualifying HPI Projects | | | | | | | | | NOFA \$17 | | | | | Applications Accepted Over |
| Climate Resilient and Sustainable Communities Program | | | | | | | | | | | | | NOFA \$100 | |

THANK YOU!

Please direct NOFA questions to: CDBG@hcd.ca.gov