



New Resources Available

HCD's Division of Federal Financial Assistance recently launched their website with helpful information and resources for environmental reviews: [HCD Environmental Review Website](#).

Webinars

HCD has posted several recorded videos to the Department's YouTube channel. Take a look at these fantastic instructional and informative videos: [HCD YouTube - CDBG Workshops and Trainings Playlist](#). The requirements and different aspects of the CDBG application procedures are explained in these training videos.

For office hours recordings, please see our [CDBG Office Hours Recordings Playlist](#).

HUD Exchange Resources

HCD recommends that grantees review these new HUD posted resources:

- CDBG Low- and Moderate-Income Summary Data (LMISD) - New low- and moderate-income summary data (LMISD) based on the 2016-2020 American Community Survey (ACS) is now available. As of August 1, 2024, to qualify any **new** low- and moderate-income area (LMA) activities, Community Development Block Grant (CDBG) grantees should use this new data. See [Notice CPD-24-04: Low- and Moderate-Income Summary Data Updates](#) for more details. – Updated June 2024

HCD CDBG Resources

Please see the new resources HCD has added to its website:

- [Appendix 6-3: CDBG Financial Report Form](#) – Required when submitting a Financial Report.
- [Chapter 12: Closeout Process](#) – Updated August 7, 2024
- [Chapter 04: Additional Grantee Requirements](#) Updated August 27, 2024

HCD Office Hours Updates

- NOFA FAQ has been uploaded to our files tab of the 2024 CDBG Solicitation



- If you don't already receive emails from HCD, here are links to get signed up:
- Stay in touch with HUD (scroll all the way to the bottom and click "Federal Programs": [HCD E-mail Listserv Signup](#))
- Register for Office Hours: [2024 CDBG and CDBG-CV Office Hours - Zoom Registration](#)

■ **CDBG Program Updates**

- New Staff & Reassignments
- The CDBG program has recently hired new Program Representatives
- A number of grantees will be assigned a new Program Representative in order to balance workloads in the coming months

■ **2024 CDBG Application opens Tuesday, October 29, 2024, at 9:00 am P.D.T**

- New Application for Competitive Solicitation closes **Monday, December 30, 2024, at 3:00 pm P.S.T.**
- Application for OTC Solicitation deadline **Monday, December 30, 2024, at 3:00 pm P.S.T.** (or whenever funds are exhausted)
- Contract execution for Competitive Applications expected in **May 2025**
- Contract execution for OTC Applications will be on a rolling basis starting **May 2025**
- Expenditure Deadline 2 years, 9 months from contract execution

■ **Artificial Intelligence (AI) Policy Reminder**

- A new custom of adding AI note-takers and readers to virtual meetings has surfaced in recent months
- Given that sensitive Personal Identifiable Information (PII) may be shared during virtual meetings, the Department is developing a policy that would restrict AI readers from meetings where sensitive PII is being shared
- Until this policy is developed, AI readers/notetakers will be restricted from all virtual meetings with HCD staff members



■ **Program Income Reporting & Awards**

- CDBG grantees are required to report all Program Income (PI) Receipts to the CDBG program
- All PI reporting must be complete prior to requesting an amendment to add PI or submitting an application that includes PI

Office Hours Q&A Recap – September 18, 2024 Session

Question: Can you put the link for the FAQ for the NOFA questions.

Answer: Link: [CDBG 2024 NOFA FAQ](#) located under the files tab of the main application

Question: Are small cities that are partnered with entitled counties, and are able to apply to those counties for CDBG funds, considered eligible applicants for this NOFA?

Answer: If the jurisdiction received 2024 CDBG funding from the Entitlement program that they are still currently part of, the jurisdiction would not be eligible to apply with the State's CDBG Program for 2024 program funding. A jurisdiction can only get CDBG funding from either an Entitlement or the State per funding year.

Question: Will there be any other workshops scheduled? Usually, they are a little more spread out. This time there were only 2 in the same week, just after the NOFA was released. This does not give enough time to strategize and have all of our questions ready.

Answer: CDBG does not have more NOFA webinars scheduled, however you can view required Pre-recorded webinars on our YouTube channel: [CDBG Workshops and Trainings - YouTube](#)

Question: Is the purchase of FIRE equipment (engine, etc) considered a program or project?

Answer: It would be considered a project under Over the Counter (OTC).

Question: Which Matrix Code should be used for PTA? I want to say there should be a specific PTA Matrix Code, but it looks like a lot of that has been crossed out on the appendix.

Answer: For planning grants, you would use matrix code 20A.

Question: Working on a PI Only Application and it asks for 21-22 Single Audit. Do you want the 21-22 or the 22-23. Not sure if this should be updated. Also, can I use the new affidavit of



Publication from the 2024 NOFA for the PI Only application or do I have to use the older one from that NOFA?

Answer: Please upload most recent audit that your organization has available. HCD will review the PI application to ensure that the correct single audit report is reviewed.

As for the affidavit of publication, please use the new one posted.

Question: Follow-up on LMISD maps. So, there is no other maps with the new mapping?

Answer: Currently, HUD has not released their mapping tool for the new 2016 to 2020 census data. Webinar forthcoming on how to use data.census.gov mapping tool.

Question: We have asked questions in the email box and still haven't received a response. Is there a timeline which you answer questions?

Answer: CDBG has been inundated with a large number of questions for this NOFA and have been working really hard to ensure that we give you comprehensive and complete answers to your questions. We shared a FAQ document today, were a tremendous amount of questions have now been answered. Any outstanding questions we hope to have answered within the next week.

Question: If the most recent Single Audit is from 21-22, and the agency is working on finalizing 22-23, will you accept the 21-22 Single Audit?

Answer: Yes, we will accept the most recent 21-22 Single Audit report as well as documentation from the auditor stating that they have been engaged to work on the Single Audit report. Once the 22-23 Single Audit report has been completed, you will be required to upload into eCivis.

Question: Are engineering, specs, bid manuals, and environmental review record development for a future project eligible under PTA?

Answer: In general, those documents are typically considered eligible under a planning project. Of course, it does depend on what type of project it is.

Question: Where can we find FAQs from previous Office Hours?

Answer: In the September 4th Newsletter

Question: Who should letters of support for competitive applications be addressed to?

Answer: Please address letter of support to Susan Holt - Housing and Community Development – CDBG Program - 651 Bannon Street, Suite 400 | Sacramento, CA 95811.



Question: Confirming that you want all "related federal laws and authority" topic worksheets to accompany our NEPA. This is a new requirement.

Answer: Yes, this new requirement is required by our Environmental Team.

Question: To clarify an earlier question, if a jurisdiction is part of a cooperative agreement with their county for Entitlement funds but did NOT receive CDBG funding for the 2024 funding year, can the jurisdiction apply for this NOFA? Or does the agreement have to be expiring?

Answer: You cannot be in a cooperative agreement for entitlement funds and also apply for state funds. The agreement would need to be expiring.

Question: Because there has been changes to LMISD block group/census tract areas, I'm assuming that if a city is now considered LMA in the Local Government Summaries, then they are LMA? This is critical as some of the jurisdictions that didn't used to be LMA are now and they are submitting applications based on LMA status.

Answer: If a city qualifies as LMA or 51% LMI according to the new 2016/2020 LMISD data, then they would qualify under that national objective.

Question: If the Housing Element is Adopted/Out, can a jurisdiction still apply?

Answer: In order to apply, you must have a Housing Element draft submitted to HCD.

Question: I am concerned about the eCivis and uploads. Not sure if you have had this feed back prior, but eCivis it keeps declining my upload. (not all of them). I try renaming them, saving in word and still won't upload. I finally logged out and back in and it accepted them. Just concerned if this happens when the OTC opens. Also, are there characters that are not permitted when saving a document?

Answer: Certain characters are not allowed. If you are having technical difficulties, it's really important that you screenshot what's occurring and email our CDBG inbox at CDBG@hcd.ca.gov immediately. We can document and can take that into consideration when determining time stamp.

Question: I just checked the solicitation page and do not see the FAQ/Q&A. How can I find this? I asked a question several weeks ago regarding planning grants and am looking for a response. If submitting applications for 2 planning grants, do we complete 2 sub applications for the same matrix code?

Answer: FAQ is now posted to our solicitation page. You would be submitting 2 sub



applications for 2 different planning grants.

Question: To clarify, is the Housing Element referring to the 6th Cycle?

Answer: Everyone is in a different cycle depending on when you first submitted and various factors. HCD will be checking at the time of application review is whether you have your housing element draft at a minimum submitted.

Question: We have a developer with a 46 lot subdivision who can't get the project off the ground due to infrastructure expenses, our sidewalk, city sewer, water expenses, eligible projects. If the resulting homes will meet low to medium income thresholds.

Answer: I encourage you to reach out to our CDBG inbox or your assigned Rep if you if you have one. This scenario does happen sometimes. If an affordable housing complex cannot connect to the road or connect to infrastructure, in some cases, it is eligible to provide for those infrastructures 1st and then that will lead to affordable housing being built. However, it really depends on the situation. Please reach out to CDBG for more information.

Question: What is the cutoff date of when HCD can advise on the content of applications?

Answer: October 29, 2024, at 9AM P.D.T

Question: Would it be allowed if PI that is currently in HOME be moved to economic PI fund? How do we go about that? Do we need approval from CDBG?

Answer: If you're referring to program income that is generated by HOME, please go ahead and reach out to us at the CDBG inbox just to get some clarity on your concerns. Generally, if it's HOME program income, it has to be encumbered in the HOME contract. If it's CDBG programming income, it has to be encumbered in a CDBG contract.

Question: Can you confirm that the 50% spending rule does not apply to OTC applications? If an agency has an open OTC agreement that has not been spent the minimum 50%, can they still apply for OTC again?

Answer: The 50% rule does not apply to OTC applications, only competitive applications.

Question: I just have a comment on the Q&A that was just released. I think that the answers to the questions about the OTC Programs are still a bit misleading. The answer I received regarding having multiple OTC programs was that you can have multiple sub applications with different matrix codes that will only count as one OTC program. I don't see that being made clear on your Q&A form when asked about having multiple **OTC programs**.



Answer: Thank you for your comment.

Question: Can you give a couple examples of Stellar Ed planning grant awards over the past years?

Answer: Typically, HCD will see a business assistance or micro enterprise assistance program that provides direct loans or grants to businesses for certain items that will help operating costs, equipment. Programs either assist a low mod income business owner or it will end up in the creation or retention of a job that is filled by a low income earning person. On the other side, we have projects that will construction projects that are aimed at economic development as a whole. Options are available under the CDBG program and if you want to discuss further, please reach out to your Program Representative.

Question: Are you saying that we are going to be able to move money from one sub application to another easily with the combination OTC ED Programs?

Answer: If awarded an OTC ED program grant and you do have multiple matrix codes in it. Yes, you should be able to move money easily around between one ED sub application or sub award to another sub award without doing an amendment.

Question: I don't remember the previous recording mentioning this regarding the Sources and Uses for just the activity. Do you just want overall cost as lump sum, or break down line items?

Answer: Yes, we do want it broken down by line item, not a lump sum. We do want to see the entire activity has been planned for and administration considered. Material costs, previous delivery costs, all the different components to run a project or program. If you have other funding sources that's associated with that project or program, the sources and uses will give us that clear picture that we won't be able to see on the application budget, what other funding sources are being used as well in this project, not just the CDBG fund.

Question: What are the permitting requirements for a public facilities project (Street/road improvements)? Generally, we will have the NEPA and CEQA prepared, the design and specs prepared, and a draft bid prepared. We are also ready to bid out the project within 60 days of any award. Having said that, the awarded contractor (post-award) would apply for any necessary permits, which would be minimal given that it is a city-sponsored project with City Site control. What do they expect to see to comply with the new permit rule? Do they want a letter from the City stating that all permits will be obtained upon award to the contractor?



Encroachment permits from CalTrans, PGE, etc.

Answer: HCD gives a good faith that you are getting your permits prepared properly. A letter from the city stating all permits will be attained upon award to the contractor would be fine and sufficient for our purposes. It's recommended that you adhere to the most strict requirements, which are generally the local permitting requirements.

Question: COC membership—We will apply for a competitive service application. Does the City have to be a member of the COC, or is it the navigation center that is a member of the COC? How do we show this?

Answer: HCD will accept a letter, on CoC letterhead and signed by the CoC coordinator, indicating that the jurisdiction and/or subrecipient with which they are contracting, are a participating member of the CoC. HCD recommends language in the subrecipient agreement that the deliverer of services is working within parameters (policies/procedures) of the CoC. At the time of application, documentation must include the contract between the jurisdiction and subrecipient who is a CoC member.

Question: One of our applications is purchasing a fire truck. The supplier states that their price could increase a certain percentage each quarter. Can we build the potential increase in our application and how would we include that on our sources and uses.

Answer: HCD recommends overestimation.

Question: On-site control, property verification, legal documentation, is it acceptable to use Parcel Quest for property information, or is a copy of the actual deed required?

Answer: HCD is looking to identify the ownership of the property. The parcel quest documents would suffice.