From HCD's CDBG Program

Thank you to everyone who was able to attend the September 2026 Office Hours. For those who were unable to attend, we hope you will be able to join us for our last Office Hours of the 2026 calendar year.

Next Office Hours: Wednesday, December 9, 2026, at 10:00 a.m. via Zoom

The CDBG Office Hours series for 2027 will be coming soon!

Our CDBG Office Hours Newsletter has been redesigned to better capture the information presented during the meeting. We believe this change will benefit all CDBG stakeholders.

Did You Know?

Jurisdictions are required to protect all Personally Identifiable Information (PII) during the contract(s) performance period.

PII is data that can be used to identify someone, such as name, address, social security number, bank information, etc.

PII information should not be included in the financial reports submitted in eCivis.



Guest Speaker

During our September 2026 Office Hours, Edgar Ortega, Loan Specialist with U.S. Department of Agriculture and Rural Development (USDA-RD) Community Programs for Southern California, provided an informative presentation about Programs and funding options available from USDA-RD. We also shared a recently completed project, in collaboration with USDA-RD and CDBG Funding, located in the County of Imperial's Niland Colonia.

Please send any suggestions for guest speakers that you would like to see to the CDBG Unit Inbox (cdbg@hcd.ca.gov).

Contact Information:

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USDA Rural Development
U.S. DEPARTMENT OF AGRICULTURE

CDBG Program Updates & Reminders

Public Noticing Template

HCD is developing a new public meeting notice template. Once finalized, it will be required for use going forward on all required public meetings going forward, including for the 2026 CDBG NOFA. We anticipate this new template to be available within the next few months.

If you have questions or are conducting a required public meeting soon, please contact your assigned CDBG Representative and/or CDBG Unit Inbox (cdbg@hcd.ca.gov).

Update: As of September 25, 2026, the new required public notice templates have been posted on the CDBG Grants Management Manual and are available in English and Spanish.

2025 CDBG NOFA Award Embargo

The 2025 CDBG NOFA Awards remain under the Governor's-imposed media and public announcement embargo. **This embargo is not affecting or delaying processing of the standard agreements.** Even though we may have received your signed Standard Agreement, HCD is requesting that your jurisdiction not publicly announce the award until the Governor lifts the embargo.

For any questions regarding the embargo, please email the Legislative Division at hcdlegislation@hcd.ca.gov or by phone at (916) 263-6206.

Financial Reporting Requirements

Grantees have the option to submit financial reports based on the invoice date or the date of payment. Grantees must stick with one of these options during the contract term. When submitting financial reports, all backup documentation must be within the report's reporting period to be accepted. Additionally, Grantees are required to submit acceptable proof of payment documentation with their financial report. Acceptable documentation includes accounting records, showing the date, payee, and amount. Grantees should avoid submitting PII, including a cancelled check, as it will show all banking information.

Please contact your assigned CDBG Representative and/or CDBG Unit Inbox (cdbg@hcd.ca.gov) with any questions.

Closeout Reporting Requirements

Grantees are required to submit all closeout documentation to their assigned Program Representative prior to submitting in eCivis. Additionally, Grantees are required to fill in all applicable sections of the combined Closeout Report, follow the naming conventions for the closeout, per Chapter 12 of the Grants Management Manual (GMM), and answer all questions in the Completion Report Excel. The Excel file of the Completion Report must be submitted in eCivis.

Please refer to GMM Chapter 12, Appendix 12-3, Completion Report Form Instructions, and contact your assigned Program Representative with any questions during Closeout.

Program Income (PI) Reporting Requirements

CDBG Program clarified the PI Reporting process. Per the CDBG PI Policy:

- Grantees with PI must report the PI to HCD prior to expending under a current or future standard agreement
- CDBG PI cannot be expended outside of a standard agreement, including the 17% GA cap
- Planning and Public Services are ineligible activities for CDBG PI use
- PI compliance includes completing all required reporting by fiscal year (July 1st to June 30th), which is determined based on the total amount of PI receipted and reported:
    - **If Grantee receipts under $35,000:** Grantee will submit one report at the end of the fiscal year and follow the defederalization procedure outlined in Appendix 6-7 of the CDBG GMM
    - **If Grantee receipts over $35,000:** Grantee is required to submit a report when they reach over $35,000 and submit monthly PI reporting until the end of the fiscal year

Refer to GMM Appendix 6-6, CDBG Program Income Policy, Appendix 6-7, CDBG Program Income Procedural Guidance for Grantees, and Appendix 6-8, CDBG PI Reporting Form.

Please contact your assigned CDBG Program Representative with any questions.

CDBG Contract Revisions, Amendments, and Execution

Contract Revisions must be initiated by Grantees after getting preliminary approval from your Program Representative, while **Contract Amendments** must be initiated by HCD Staff after getting preliminary approval from your Program Representative.

New Contracts and/or Contract Amendments are not fully executed until the sent document is signed and uploaded into eCivis by the Grantee and the returned document is countersigned by HCD. A copy of all executed agreements must be maintained in grantees' grant files to comply with record-retention requirements.

Once a contract and/or amendment is "pending acceptance," do not make any changes while accepting the award and/or amendment, as changes made at this stage will restart the routing process. Please contact your assigned Program Representative if any changes need to be made.

Meeting Beneficiary Requirements

If a Grantee is unable to meet the beneficiary goal originally submitted in their application, Grantees are required to communicate with their assigned Program Representative about this issue as quickly as possible. It is important to address this timely, as there may be additional requirements that must be met if the originally stated beneficiary goal is not going to be completed by contract closeout.

Records Retention Requirements

Grantees are required to keep a copy of all grant-related documents, including executed agreements, in the jurisdiction's grant files. The retention period will be **3 years from closeout of the HCD contract with HUD**. HCD will notify the Grantee when a grant year is closed out with HUD. Refer to CFR Code 24 CFR 570.490(d) and CDBG GMM Chapter 10 & Chapter 12

Available Resources

Prior NOFA Webinars

HCD has CDBG training videos available on our YouTube channel! Check out the CDBG Workshops and Trainings Playlist.

State Income Limits

Effective **June 1, 2026**, HUD updated income limits and they are available here: State and Federal Income, Rent, and Loan/Value Limits | California Department of Housing and Community Development

- Community Development Block Grant Income and Rent Limits

Signing Up for HCD & CDBG Program Emails

If you don't receive emails from HCD, here is how to sign up:

- On the CDBG Website, scroll all the way to the bottom to "Contact Us" and click "Mailing List." **Direct link**: **HCD E-mail Listserv Signup.**
- "Sign up to stay in touch!" will appear. Complete all required fields, then scroll down to the bottom to select "Federal Programs"
- Selecting the "Sign Up" box will complete the process.

CDBG Website

CDBG has redesigned its public-facing website to offer a more user-friendly experience, adopting a streamlined structure that positions the Notice of Funding Availability (NOFA) as the primary source for information on CDBG policies and tools.

Don't forget to save our new link: Community Development Block Grant Program (CDBG) | California Department of Housing and Community Development



CDBG Grants Management Manual (GMM)

Located on the CDBG Website, the Grants Management Manual (GMM) serves as a key resource for CDBG grantees as they establish, implement, and close out CDBG-compliant projects and activities. The GMM has an expanded collection of documents, tools, and appendices to support users with valuable program information. The GMM is now available on the right-hand side of the CDBG Website under “Grants Management Manual” in the box titled “On this Page” in the image above.

Prior Office Hours Newsletters

Prior Office Hours Newsletters are now available on the right-hand side of the CDBG Website under Office Hours in the box titled “On this Page” in the image above.

Office Hours Q&A Recap – September 9, 2026

Question	Answer
I have already held a public meeting. Do I have to hold another meeting in order to use the new mandatory public notice template?	The public meeting already held without using the new template is acceptable, provided the noticing includes all components required by statute and CDBG policy. CDBG's mandatory public notice template is now posted on the CDBG website. **Please see update above.**
Do you know when NOFA funding calendar will be updated?	Thank you for pointing this out. The CDBG Team will investigate this.
If our standard agreement is signed, can we have a "soft opening" to start work on the grant/program?	You may begin work, however, please do not make any public announcements until the embargo is lifted.
RE: Payment documentation: Do grantees need to include timesheet data with developer's invoices for Capital projects?	Please reach out to your assigned Program Representative/Specialist for specific payment documentation requirements.

The embargo will affect getting out Invitation to Bids and Applications for services. Will jurisdictions be given extra time on the contract or is there an indication of when the embargo will be lifted?	There is no indication of when the embargo will be lifted. HCD requests that jurisdictions refrain from public announcements until the embargo is lifted. The embargo does not affect or delay the processing of standard agreements. For questions regarding public announcements, please reach out to your Program Representative/Specialist.
To clarify the jurisdiction can submit for reimbursement on invoice from a vendor or contractor and not on payment of that invoice? And of course that needs to be consistent throughout the contract length.	Yes, a jurisdiction may request reimbursement using an invoice from a vendor or contractor. Jurisdictions must retain proof of payment for potential monitoring or audits by HCD or HUD. Grantees may submit financial reports based on either the invoice date or the payment date but must use the same method throughout the contract term. All backup documentation must fall within the report's reporting period.
Any changes that we should know about? Have any NEPA requirements changed? Have any Section 3 requirements changed? Are jurisdictions still required to do an LAP? Are jurisdictions still allowed to perform outreach in other languages? Does race/ethnicity data still need to be collected?	CDBG will notify jurisdictions of any required changes via e-blast. Please sign up for the Listserv if you haven't already, or email CDBG@HCD.ca.gov for instructions. Recent Section 3 requirements were updated in March and are included in the June newsletter.
How soon after this meeting will we have access to the slides?	The CDBG Newsletter will include slide information. USDA slides will not be available. .