

CDBG Office Hours

Team HCD CDBG

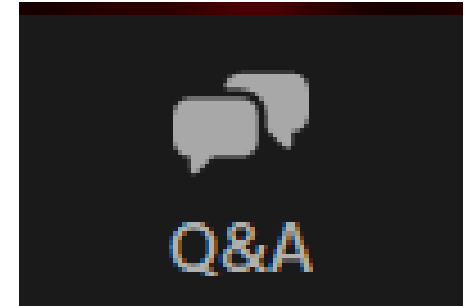
Wednesday, March 8, 2023





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





CDBG Program Updates

2020 CDBG NOFA

- All Executed

2021 CDBG NOFA

- 64 applications submitted and reviewed for threshold
- 46 Recommended for award
- 1 Change Requested
- 45 Approved

2022 CDBG NOFA

- 64 applications submitted
- Disqualified applications letters and appeals have been received, reviewed and responded to.
- Scoring and Ranking have been completed. Applications were ranked based on highest score. The scoring and ranking letters went out to the 7 grantees that we were unable to fund due to the funding availability under the Non-Housing solicitation.
- Our goal is to get the 2022 awards out in March 2023

2023 CDBG NOFA

- Working on development
- Projected 2023 NOFA drop date June of 2023



National Community Development Week – April 10-14, 2023

HCD is looking for projects to highlight during the upcoming National Community Development Week.

- Do you have an upcoming groundbreaking or ribbon cutting?
- Want to share some pictures and a project description?
- Do you have a project that uses CDBG AND HOME funds?

We want to know about it!! Please reach out to Janice.Waddell@hcd.ca.gov.





National Community Development Week – April 10-14, 2023

If holding a groundbreaking or ribbon cutting let us know the date, time and location.

If sharing project information, please provide photos/plans or renderings of your project and a brief description.

[Community Development Week Toolkit Link](#)

#CDWEEK2023 #CDBGWORKS





CDBG-CV Set-Asides

CDBG-CV Tribal Set Aside*

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 - 1 Rescinded by Applicant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

***As of 3/6/2023**



CDBG-CV Expenditure Thermometer

\$150,626,712

\$120,501,369

100%

80% June 25, 2023

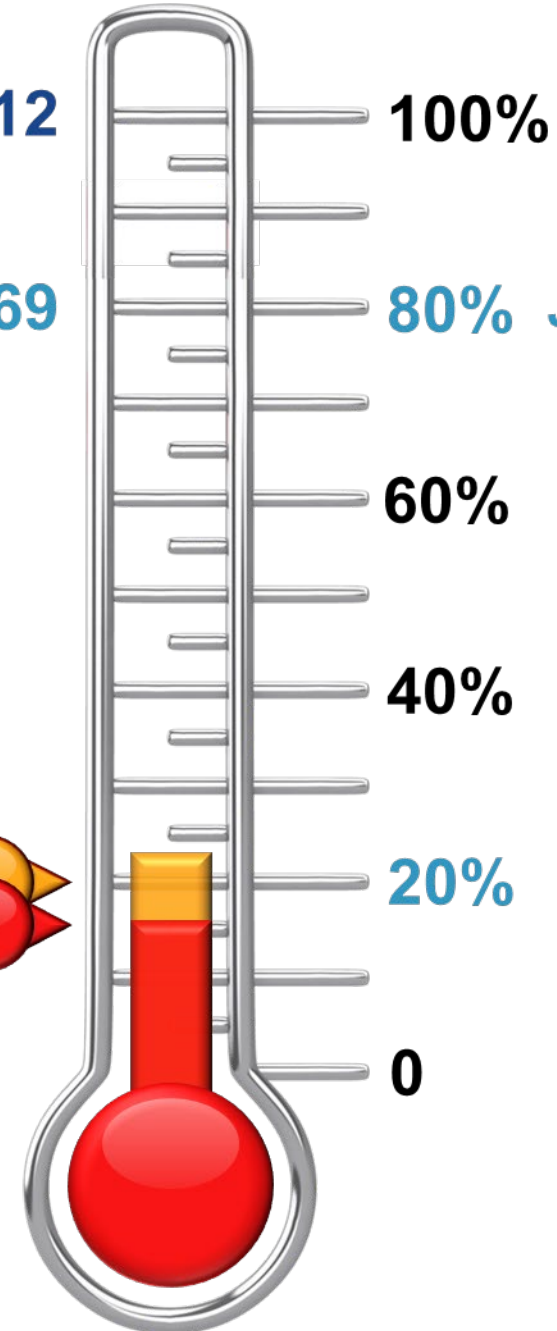
As of 3/2/2023:

🔴 Total Disbursed: \$22,700,730

🟡 Total Pending: \$10,271,031

Funding at Risk: \$87,529,608

Total:
\$32,971,761



Remember:

- Approximately 3.5 months until June 25, 2023
80% Expenditure Deadline for CDBG-CV funds.



Be prepared for the CDBG–CV 80% Expenditure Deadline

- For CDBG–CV2-3 awards – Do not expect extensions. Due to HUD’s 80% expenditure deadline, your award will be rescinded by 80% of the unspent balance when we reach June 25, 2023.
- For CDBG–CV1 awards – all CDBG-CV1 awards have an expenditure deadline of June 25, 2023 or sooner. Any funds unspent by that date will be rescinded.



HCD submitted Expenditure Extension Request to HUD

- HCD recently submitted a request to HUD for an extension to the 80% expenditure deadline of June 25, 2023 for CDBG-CV funds.
- HUD has acknowledged receipt of HCD's request.
- HCD can not assume approval or move forward with any Standard Agreement amendments until HUD responds.
- For now, proceed in accordance with the 80% expenditure deadline of June 25, 2023.



Labor Compliance Announcement

- HUD has informed HCD that it will be conducting labor standards remote monitoring April 24-28, 2023
- HUD will tell us one or two weeks prior to the monitoring which activities will be monitored.
- We will reach out to grantees to request documentation as soon as possible.
- Please be prepared to submit electronic copies of labor compliance records with all personal identifying information redacted should your activity be selected for monitoring.

Questions and Answers: Recap from Prior Office Hours





Grant Award Determination

Question

Prior to March 2023 grant awards announcements, have reps reached out to jurisdictions to ask for additional information to help determine grant awards?

Answer

Since this is a competitive application process, in the interest of remaining fair, our reps do not reach out for any additional documentation after the application submission window has closed.

From: Office Hours 2/22/23



Returned CV Funds Pt. 1

Question

What happens to returned CV funds? Will they be reallocated to cities who utilized their funds?

Answer

We don't currently have a plan in place for reallocating funds. We have submitted an extension request to HUD, but do not yet know if it will be approved. If we do not receive an extension, we will have to repay HUD all returned CV funds. We will update grantees as we know more.

From: Office Hours 2/22/23



Returned CV Funds Pt. 2

Question

Will returned funds before February 28th count towards the 80% spend down deadline of June 25th?

Answer

Returned funds do not count towards the 80% spend down, but it may reduce the amount that we have to recapture from grantees that are currently using their awards. Soon following the February 28th deadline, we will have more information on this matter. If you know you will not spend your funds and what you return/rescind will get you to 80%, then you are not at risk of recapturing additional funding. We will be collecting information in order to mitigate the negative impact on as many Standard Agreements as possible.

From: Office Hours 2/22/23



Loan Agreements

Question

This is for housing rehabilitation client loan agreements with the jurisdiction. Does the state/federal guidelines need to include in those agreements similar to what is included in sub-recipient and contractor agreements. Most of the language is specifically for contractors and sub-recipients and not targeted at clients.

Answer

This would depend on what is included in the content of the loan agreement. Most of the federal and state provisions are those that apply to contractors or subrecipients. If the loan agreement is simply the term of affordability on the property after the investment of federal funds, this would not trigger the same construction language requirements. However, it is a good rule of thumb to include federal language provisions in agreements that are funded with federal funds with a note of “as applicable.” See the CDBG Rehab Guidelines for additional information: [HCD CDBG Housing Rehab Guidelines - HCD.ca.gov](https://www.hcd.ca.gov/cdbg-rehab-guidelines)

If any grantee has a sample client loan agreement to share, let us know!

From: Office Hours 2/22/23



GMM Appendix D-7: HCD Underwriting Guidelines (for Microenterprise and Business Assistance)

Question

When did Appendix D-7 come out?

Answer

It was shared on the website in the fall of 2022, it was also included in the newsletter.

Here is the link: [Appendix D: HCD Underwriting Guidelines - HCD.ca.gov](https://www.hcd.ca.gov/appendix-d-hcd-underwriting-guidelines)

From: Office Hours 2/22/23

Questions and Answers:
Please submit your question(s) via Zoom
Q+A

