

**Community Development Block Grant Disaster
Recovery 2018
CDBG DR-Workforce Development Program
2023 Policies and Procedures Manual**



**Gavin Newsom, Governor
State of California
Lourdes M. Castro Ramirez, Secretary
Business, Consumer Services and Housing Agency
Gustavo Velasquez, Director
California Department of Housing and Community
Development**

2020 W. El Camino Avenue,
Suite 500
Sacramento, CA 95833
Telephone: (916) 263-2771

Website: [Workforce Development | California Department of
Housing and Community Development](https://www.cdph.ca.gov/Programs/OPA/Pages/NR2023-0001.aspx)
Community Development Block Grant-Disaster Recovery Program
Program Email: DRWorkforce@hcd.ca.gov

March 4, 2024

1. Version Policy

Version history is tracked in the table below, with notes regarding version changes. The dates of each publication are also tracked in the table.

Substantive changes within this document that reflect a policy change will result in the issuance of a new version. Future policy changes will result in additional revision and the issuance of a new primary version number.

Non-substantial changes, such as minor wording and editing or clarification of existing policy that do not affect the interpretation or applicability of the policy, will be included in minor version updates denoted by a sequential number increase behind the primary version number. Such changes would result in a version number such as 2.1, 2.2, etc.

a. Table 1: Version History Table

Version Number	Date:	Description of Revisions
Draft v1.0	September 2022	Initial Draft: Policies and Procedures are <u>subject to change</u> at the sole discretion of the -DR-Workforce Development Program Staff.
Draft v2.0	April 2023	<ul style="list-style-type: none"> • Definition to LMC expanded to clarify clientele qualified group. • Added definitions for Tribal Entities. • New or expanded programs description updated. • Removed Vulnerable Populations. • Updated National Objective section to clarify income self-certification process and verification. • Added Activity Costs and Activity Delivery Costs details. • Updated document to reflect all workforce recovery industries that tie back are eligible, not just construction trades. • Revised Program Description. • Added HCD and Program LMI beneficiary goals. • Document language updated to match most updated NOFA. • Added Authorizing Resolution Templates section, appendices D-1 and D-2, including the Tribal specific Authorizing Resolution Template, Appendix D-3. • Added Procurement Requirements.
Draft v3.0	September 2023	<ul style="list-style-type: none"> • Expanded on how the LMC national objective is met. • Expanded on budget considerations, specifically how Subrecipients should be able to estimate the per trainee cost of the program. • Added Appendix B – Self-Certification of Annual Income form. • Added Appendix C – Income Verification Packet.

		<ul style="list-style-type: none"> • Clarified difference between: HUD’s LMC national objective LMI threshold (51%), HCD’s LMI participation requirement (85%) and HCD’s LMI participation goal (85-100%). • Changed Program Timeline to Performance Period. • Updated webpage links. • Updated Appendix labels to accommodate new appendices. • Update to the change of use policy for acquisitions.
Draft v4.0	December 2023	<ul style="list-style-type: none"> • Expanded on Eligible and Ineligible Applicant definitions. • Clarified Partner Requirements. • Update to Appendix B: <i>Self-Certification of Annual Income Form</i>.
Draft v5.0	March 2024	<ul style="list-style-type: none"> • Updated Appeals language.

2. Table of Contents

1. Version Policy	2
a. Table 1: Version History Table	2
2. Table of Contents	4
3. General	7
3.1. Purpose and Scope	7
3.2. Funding Authorization	8
3.3. Performance Period.....	8
3.4. Terms and Definitions.....	8
a. Table 2: Acronyms	8
3.5. Program Description.....	12
3.6. Program Regional Allocations	13
a. Table 3: Regional Grant Allocations.....	14
3.7. Regional Allocation Formula Methodology	14
3.8. Terms of Assistance Summary	14
3.9. Program Outreach	16
4. Program Requirements	16
4.1 Eligible Activities	16
a. Public Service Activities	16
b. Public Facilities Activities	17
4.2 Geographic Requirements	18
a. Eligible Disaster Impacted Areas (Appendix A)	18
4.3 Eligible Applicants	18
a. Eligible Applicants include:	18
4.4 Eligible Applicant Partners	18
4.5. National Objective Requirement	21
a. Low- and Moderate- Income Clientele (LMC) category.....	21
b. National Objective Required Documentation	21
c. LMI Eligibility Determination	22
4.6. Eligible Trainee/Beneficiary.....	23
4.7. Tie-Back to Disasters	23
4.8. Budget Considerations.....	24
4.9. Eligible Activity Costs.....	24
4.10. Types of Eligible Activity Costs	25
a. Public Service Eligible Activity Costs	25
b. Public Facilities Eligible Activity Costs.....	26
4.11. Activity Delivery Costs	27
a. An ADC must be:	27

4.12.	Types of Activity Delivery Costs (ADCs)	27
a.	Activity Delivery Costs in Public Facility Activities:	27
b.	Examples of Eligible DR-Workforce Public Facility/Construction ADCs:.....	27
c.	Activity Delivery Costs in Public Service Activities:.....	27
4.13.	Ineligible Costs	28
a.	Repayment	29
4.14.	Subrecipient Requirements	29
5.	<i>CDBG-DR and Cross-Cutting Federal Requirements</i>	29
5.1.	Capacity to Deliver Services	30
5.2.	Limited English Proficiency (LEP)	30
5.3.	Duplication of Benefits	30
5.4.	Duplication of Benefits Verification	31
a.	DR-Workforce Applicant.....	31
5.5.	Section 3 of the HUD Act of 1968	31
a.	Section 3 Clause.....	32
5.6.	Supplanting Funds	34
5.7.	Cost Reasonableness	34
5.8.	Recapture	34
5.9.	Environmental Review	35
a.	Environmental Review Procedures.....	36
b.	Flood Insurance and Floodplain Elevation Requirements	36
5.10.	Conflicts of Interest	37
5.11.	Americans with Disabilities Act	37
5.12.	Copeland Act’s Anti-Kickback Provision	37
5.13.	Contract Work Hours and Safety Standards Act	38
5.14.	Equal Employment Opportunity Act	38
5.15.	Minority- and/or Women-Owned Business Enterprises	38
5.16.	Fair Labor Standards Act of 1983 as Amended	39
5.17.	Davis-Bacon Labor Standards	40
5.18.	Fair Housing	41
5.19.	Residential Anti-Displacement	41
5.20.	Uniform Relocation Act	41
a.	Real Property	41
5.21.	Financial Management	42
5.22.	Insurance and Property Management	42
5.23.	Record Keeping, Retention and File Management	43
a.	Administrative Records	43

b.	Financial Records	44
c.	Project Files	44
5.24.	Procurement Policy	44
5.25.	Audit Trail	45
5.26.	Fraud, Waste and Abuse.....	45
5.27.	Activity Delivery Costs of a Failed Project	46
6.	<i>Operating Procedures</i>	<i>47</i>
6.1.	Award Criteria	47
a.	Authorizing Resolution	47
b.	Eligibility	47
6.2.	Award Announcements	48
6.3.	Funding Commitments	48
6.4.	Standard Agreement	48
6.5.	Agreements with Contractors or Other Parties	49
6.6.	Document Retrieval Process	50
6.7.	Disbursement of Funds	50
a.	Documentation of Expenditures.....	50
b.	Timeliness of Expenditures.....	50
6.8.	Reporting Requirements.....	51
6.9.	Monitoring and Compliance	52
a.	HCD’s Monitoring of Subrecipients	52
b.	Subrecipient Monitoring Responsibilities.....	53
6.10.	Grant Closeout	54
a.	Individual Activity Closeout Checklist.....	54
b.	Closeout of a Contract	55
7.	<i>Appendices</i>	<i>57</i>
	APPENDIX A: Map of the Eligible Disaster Impacted Areas	57
	APPENDIX B: Self Certification of Annual Income Form	57
	APPENDIX C: Income Verification Packet.....	57
	APPENDIX D-1: Limited English Proficiency (LEP) Requirements	57
	APPENDIX D-2: LAP Template for LEP	57
	APPENDIX E-1: Authorizing Resolution Template for Jurisdictions	57
	APPENDIX E-2: Authorizing Resolution Template for Organizations.....	57
	APPENDIX E-3: Authorizing Resolution Template for Tribal Governments	57

3. General

3.1. Purpose and Scope

This manual summarizes the program requirements, program deadlines, and Cross-Cutting Federal Requirements that must be adhered to for the DR-Workforce Program. In addition to this Policies and Procedures Manual, Subrecipients should review the [State's 2018 CDBG-DR Action Plan](#), and HCD's most recently published version of the [Grants Administration Manual](#) for further details about CDBG-DR procedures and requirements, including rules for specific projects or programs, protocols for demonstrating capacity, and specific eligible and ineligible costs.

In response to the 2018 California wildfire disasters (FEMA declarations: DR-4382-CA and DR-4407-CA), the U.S. Department of Housing and Urban Development (HUD) allocated \$1,017,399,000 in Community Development Block Grant-Disaster Recovery (CDBG-DR) funds to the State of California Department of Housing and Community Development (HCD) to assist housing recovery and to benefit Low- and Moderate-Income Individuals impacted by the 2018 wildfire disasters.

Of the total CDBG-DR 2018 HUD allocation, HCD dedicated \$40,694,942 to create the Workforce Development Program ("DR-Workforce") to fund eligible entities to create or expand programs in the 2018 wildfire recovery communities that address the unmet need for specialized training to increase economic opportunities for Low- and Moderate-Income Individuals. Moreover, the State identified in its Unmet Needs Assessment within the [State's 2018 CDBG-DR Action Plan](#) that extensive economic recovery needs remain that directly correlate to the ability to bring back housing. The DR-Workforce Program provides assistance to meet the needs of rebuilding the skilled labor force required to construct new housing and infrastructure projects in the impacted communities.

CDBG-DR funds are intended to supplement and will not supplant other funding sources. CDBG-DR funds may only be used as a source to fill a funding gap of an otherwise eligible project. Typically, CDBG-DR funds leverage other recovery assistance programs administered by the Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA), but CDBG-DR can leverage any private or public funding sources. CDBG-DR funds cannot duplicate funding available from federal, state, or local governments, private and Nonprofit organizations, insurance proceeds, or any other source of assistance meant for the same purpose. CDBG-DR funds may be used to match other federal resources and can also be used in combination with Department of Health and Human Services (HHS) and Social Services Block Grants (SSBGs).

HCD and Subrecipients must comply with federal regulations contained in 83 FR 5844; [24 CFR §570](#), Subpart I; 24 CFR §570.502; 24 CFR §570.503 and §570.500(c); 24 CFR §58; and 2 CFR §200. See 24 CFR §570.480 et seq. for additional general provisions. If HUD, Congress, or the State Legislature add or amend requirements concerning the use or management of these funds, HCD, and their Subrecipients, must comply with such requirements. For example, such an amendment recently occurred

regarding the requirements and implementation of Section 3. The *Section 3 Final Rule* took effect in October 2020 in accordance with 85 FR 60907.¹

Subrecipients should review all applicable federal regulations, disaster specific [Federal Register Notices](#) and [State’s 2018 CDBG-DR Action Plan](#) and the [Grant Administration Manual](#) for detailed information on all applicable CDBG-DR Cross-Cutting Federal Requirements, and state and local statutes, rules, and regulations.

3.2. Funding Authorization

Funds will be allocated according to federal regulations found in 85 FR 4681, Public Laws 115-254 and 116-20, and governed by the prior Federal Register Notices published on February 9, 2018 at [83 FR 5844](#), August 14, 2018, at 83 FR 40314, February 19, 2019 at 84 FR 4836, and June 20, 2019 at 84 FR 4839 (the “Prior Notices”), [24 CFR §570](#); 24 CFR §570.502; 24 CFR §570.503 and §570.500(c) and the State’s [2018 CDBG-DR Action Plan](#), as amended².

3.3. Performance Period

All awarded Workforce Training Programs will have a period of performance of roughly two years from the date that the Standard Agreement is executed between HCD and the Subrecipient, and the expenditure deadline. An estimate of Program milestones is reflected in the DR-Workforce NOFA.

3.4. Terms and Definitions

a. Table 2: Acronyms

Acronym	Meaning
CDBG-DR	Community Development Block Grant Disaster Recovery
CFR	Code of Federal Regulations
DRGR	HUD’s Disaster Recovery Grant Reporting System
FRN	Federal Register Notice
HCD	State of California Department of Housing and Community Development
HCDA	Housing and Community Development Act of 1974, as amended
HUD	U.S. Department of Housing and Urban Development
LMC	Low- and Moderate- Income Limited Clientele
LMI	Low- and Moderate- Income
NOFA	Notice of Funding Availability

¹ [Section 3 - HUD Exchange](#)

² [Action Plans and Federal Register Notices \(FRNs\) | California Department of Housing and Community Development](#)

Activity Costs: Direct costs from undertaking a project, which can be tied to a final cost objective and eligible activity.

Activity Delivery Costs (ADC): Allowable costs incurred for implementing and carrying out eligible CDBG-DR activities. ADCs cover the costs of staff directly carrying out the activity in addition to engineering, design, architecture, and environmental services that are necessary for successful completion of the activity. ADCs must be allocable to a CDBG-DR assisted activity, meet a National Objective, and meet all other CDBG-DR Program requirements.

Applicant: Local city or county governments (Jurisdictions), Nonprofit organizations, post-secondary educational institutions, or Local Workforce Development Boards.

Authorizing Resolution: A formal resolution of the Subrecipient's highest authority, usually the city council or county board of supervisors, authorizing the Subrecipient to accept CDBG-DR funding and the responsibilities that attach, thereto, in general and authorizing persons performing specific roles to act on its behalf, including, but not limited to, being a signatory of the HCD Standard Agreement and other supporting documents.

Beneficiary: (Also "participant, "training applicant", or "trainee") The individuals that benefit from participation in a DR-Workforce Program administered by a Subrecipient.

California Environmental Quality Act (CEQA): A statute that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible.

Contractor: An entity that is awarded a contract as a result of a competitive procurement to support the implementation of the CDBG-DR project.

Cross-Cutting Federal Requirements: Federal regulations outside of CDBG-DR that apply to CDBG-DR Programs. These federal requirements pertain to financial management, procurement, environmental, labor, acquisition, relocation, fair housing, and non-discrimination.

Duplication of Benefits (DOB): Financial assistance received from another source that is provided for the same purpose as the CDBG-DR funds.

Eligible Applicant: Applicants that are eligible to apply for funds under this Program, as defined in *Section 4.3. Eligible Applicants*.

Eligible Disaster Impacted Area: All of HUD's Most Impacted and Distressed (MID) Areas plus the impacted counties as described in the [State's 2018 CDBG-DR Action Plan](#), which includes the counties of Butte, Lake, Los Angeles, Shasta, and Ventura. See **Appendix A** for full map.

Environmental Review Record (ERR): A permanent set of files containing all documentation pertaining to the Environmental Review compliance procedures conducted and environmental clearance documents as required by CEQA and NEPA regulations. (See [California Environmental Quality Act and National Environmental Policy Act](#)).

For-Profit Business Enterprises: A for-profit sole proprietorship, partnership, corporation, or other private entity organized to provide goods or services for a profit.

Individual: A person receiving on their own behalf (i.e., not on behalf of a company, organization, institution, or government).

Jurisdiction: Local city, town, or county governments.

Limited English Proficiency (LEP): A designation for persons that are unable to communicate effectively in English because their primary language is not English, and they have not developed fluency in the English language. A person with Limited English Proficiency may have difficulty speaking or reading English. A LEP person benefits from an interpreter who translates to and from the person's primary language. A LEP person may also need documents written in English translated into his or her primary language so that person can understand important documents related to health and human services.

Local Workforce Development Boards (LWDB): The Local WDB is appointed by the chief elected official(s) in the local area in accordance with State criteria established under WIOA sec. 107(b), and is certified by the Governor every 2 years, in accordance with WIOA sec. 107(c)(2). Eligible LWDBs for this Program are those that provide services to any of the five disaster impacted areas AND are recognized by the California Workforce Development Board as one of the 45 LWDBs certified by the Governor. A list of all 45 LWDBs can be found at https://cwdb.ca.gov/local_boards/local_workforce_investment_associations/.

Low- and Moderate- Income (LMI) Individuals: LMI Individuals are those having family incomes not more than the moderate-income level (80 percent Area Median Income) set by the federal government for the HUD assisted programs. This income standard changes from year to year and varies by family size, county, and the metropolitan statistical area. The annual [HUD income limits for California](#) are on the Department of Housing and Community Development (HCD) website.

Low- and Moderate-Income Limited Clientele (LMC): One of the methods used to meet HUD's LMI National Objective and the method that all Subrecipients of DR-Workforce Programs must utilize to comply with the LMI National Objective. This policy and how to meet the requirement are further described in *Section 4.5 National Objective Requirements*.

National Environmental Policy Act (NEPA): Establishes a broad national framework for protecting the environment. NEPA's basic policy is to assure that all branches of

government consider the environment prior to undertaking any major federal action that could significantly affect the environment.

National Objective: In accordance with 24 CFR 570.208, all CDBG-DR funded activities must meet a National Objective as required under 24 CFR 570.200(a)(2). For purpose of the DR-Workforce Program, all activities must meet the LMI National Objective through serving a limited clientele (LMC).

Nonprofit: Any entity incorporated under the Nonprofit Corporation Law (Division 2 (commencing with Section 5000) of Title 1 of the Corporations Code) or a Nonprofit Organization that qualifies for exempt status under Section 115 or 501(c) of the Internal Revenue Code and registered as a California business entity with the Secretary of State's Office. Any Nonprofit (501(c)(3) or other tax-exempt organization, including private schools and private universities.

Participant Supportive Services: A range of ancillary services required to help trainees successfully access and participate in the Workforce Training Program.

Partner: An entity that enters into a written agreement with the primary Applicant to provide a service related to carrying out the Workforce Training Program, particularly as the services may relate to providing Participant Supportive Services. Partners must meet all DR-Workforce Partner requirements.

Postsecondary Educational Institutions: Public or Private Nonprofit institutions of higher education.

Program: The 2018 CDBG-DR Workforce Development Program (DR-Workforce).

Public Facility: Broadly interpreted by CDBG-DR to include all facilities that are either publicly owned or that are traditionally provided by the government, or owned by a Nonprofit, and operated to be open to the general public. Eligible Public Facility activities for DR-Workforce are further defined in *Section 4.1. Eligible Activities*.

Public Service: Generally described as a commodity or service rendered that serves all members of a community. Eligible Public Service activities for DR-Workforce are further defined in *Section 4.1. Eligible Activities*.

Section 3: A provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. Section 3 of the Act requires that recipients of HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low-income residents in connection with projects and activities in their neighborhoods. How to comply with Section 3 is described in detail in *Section 4.5 Section 3 of the HUD Act of 1968* of this Manual.

Standard Agreement: Successful Applicants will enter into a Standard Agreement with HCD. The Standard Agreement contains all the relevant state and federal requirements, activity performance requirements, Workforce Program management requirements, and disbursement requirements.

Subrecipient: An Applicant that has been determined eligible for an HCD award and entered into a Standard Agreement with HCD for performance of activities under this Program.

Training Operator: The entity that will implement a Workforce Training Program. A Training Operator may or may not be the Subrecipient. The Training Operator may be a Nonprofit or a for-profit entity. If the Training Operator is a for-profit entity, they may not also serve as the Subrecipient but can be a Partner to the Subrecipient.

Tribal Entity: Tribal Entity(ies) means a Partner that is any of the following:

- a. Partner meets the definition of Indian tribe under Section 4103(13)(B) of Title 25 of the United States Code;
- b. Partner meets the definition of Tribally Designated Housing Entity under 25 USC 4103(22);
- c. If not a federally recognized tribe:
 1. Partner as a Tribe has contracting status as a California entity registered with the California Secretary of State.

Workforce Training Program: Project(s), program(s), or activity(s) that an Applicant proposes in their application or Subrecipient agrees to perform under their Standard Agreement.

3.5. Program Description

The 2018 CDBG-DR Workforce Development Program 's (DR-Workforce) objective is to fund Workforce Training Programs in the 2018 Eligible Disaster Impacted Areas which include the counties of **Butte, Lake, Shasta, Los Angeles, and Ventura**. Eligible Workforce Training Programs must support social and economic recovery by providing high-quality job opportunities to Low- and Moderate- Income (LMI) Individuals. HCD will solicit for new or expanded Workforce Training Programs through Public Services that deliver job training and a wide range of Participant Supportive Services that are necessary to support activities intended to address economic revitalization. Complimenting the primary Public Service activity, Applicants may justify the need to pursue supplemental activities such as acquisition, rehabilitation, or improvements to a Public Facility to support the delivery of the Applicant's Workforce Training Program in the community. In accordance with state priorities, the DR-Workforce Program's goals align with state-wide initiatives to deliver equity, sustainability, and job quality.³

³ [California Future of Work Report](#)

HCD encourages Applicants to propose Workforce Training Programs that go beyond traditional methods of delivering job training, such as Participant Supportive Services, mobile training, or on-the-job vouchers. Job placement is not a requirement for eligibility but is HCD's desired goal of all Workforce Training Programs. A detailed description of all eligible activities is provided in *Section 4.1 Eligible Activities* of this manual.

3.6. Program Regional Allocations

HCD has allocated approximately \$40,694,942 to the 2018 DR-Workforce Program. This funding has been made available based on a regional grant allocation formula developed to determine a proportionate share of the total DR-Workforce funds based on the impacts and training needs in each eligible county. The funds may only be utilized after all other funds available to provide benefits or services to the Subrecipient or trainees for the same purpose have been expended. HCD will review applications based on threshold criteria for Program eligibility on an over-the-counter first come, first serve basis. Awards will be based on the CDBG-DR amount requested up to the amount still available within the regional grant allocations.

The total available DR-Workforce grant funding available per Eligible Disaster Impacted Area is outlined below. Separate applications must be submitted for any Workforce Training Programs that serve more than one region.

a. Table 3: Regional Grant Allocations

Eligible Impacted County Regions	Percent of Program Allocation	Regional Grant Allocation
Butte County Region	46 percent	\$18,742,117.42
Lake County Region	16.3 percent	\$6,642,191.11
Shasta County Region	15 percent	\$6,096,458.29
Los Angeles County Region	8 percent	\$3,283,960.49
Ventura County Region	14.6 percent	\$5,930,215.29
Total Program Funding	100 percent	\$40,694,942.60

3.7. Regional Allocation Formula Methodology

HCD consulted with the impacted counties to develop a methodology for calculating the regional grant allocations. The final calculation method is based on four ratios that address economic revitalization needs post-disaster in the Eligible Disaster Impacted Areas including:

- Regional workforce development resources ratio,
- Damaged structure ratio,
- Disaster unemployment assistance ratio and,
- Existing relevant workforce training opportunities surrounding the county region ratio.

The methodology utilizes a weighted formula that weighs the four ratios based on unmet need in the eligible areas. The ratio weights are 40 percent for relevant workforce resources available within the impacted area, 25 percent for disaster unemployment claims, 20 percent for damaged structures, and 15 percent for existing relevant Workforce Training Programs surrounding the impacted area. The formula intentionally puts the most emphasis on the need for relevant Workforce Training Programs within the Eligible Disaster Impacted Areas and unemployment as a result of the 2018 declared disasters.

3.8. Terms of Assistance Summary

1. Funding to Subrecipients for Workforce Training Programs and Participant Supportive Services is made available through the DR-Workforce Notice of Funding Availability (NOFA). Applicants submit Workforce Training Program proposals to HCD for funding consideration through the Grants Network portal based on the threshold requirements outlined in the NOFA and the most recently published version of this Policies and Procedures Manual.
2. Subrecipients must provide eligible Public Services within one of the Eligible Disaster Impacted Areas or the services must benefit one of the Eligible Disaster Impacted Areas of Butte, Lake, Los Angeles, Shasta, and Ventura. Workforce

Training Program activities must be eligible in accordance with the Housing and Community Development Act (HCDA), as amended.

3. The DR-Workforce Program activities must meet requirements for HUD's LMI National Objective utilizing the Low- and Moderate- Income Clientele (LMC) category. At least 85 percent of the Beneficiaries served by the Subrecipient's Workforce Training Program must be LMI Individuals. Subrecipients must set a Beneficiary target or goal of serving at least 85 percent to 100 percent LMI Individuals with its Workforce Training Program.
4. Workforce training and Participant Supportive Services must be provided at no cost to income eligible trainees.
5. Workforce Training Programs must support social and economic needs that tie-back to the 2018 federally declared disasters in the Eligible Disaster Impacted Areas.
6. DR-Workforce Program funds cannot be used to supplant existing local or state public funds on an existing Workforce Training Program. Therefore, Workforce Training Programs must be either:
 - a. New programs (because no local funding is in place since they are new),
 - b. Existing programs that are not currently funded by local or state public funds; or
 - c. Existing Workforce Training Programs that are currently funded by local or state public funds, but the Applicant demonstrates that CDBG-DR funds will be used to fund an expansion of existing services.
 - i. To qualify as an expanded service, Applicants must demonstrate a quantifiable increase in the level of an existing service.
 - ii. To qualify as an existing service, the program should have been in operations for at least 12 months.
7. Funds are awarded as grants and disbursed on a reimbursement basis for eligible costs. HCD must ensure costs have been incurred and review invoices and/or receipts submitted prior to reimbursement for approval. If reimbursed costs are deemed ineligible by HCD or HUD, the Subrecipient is responsible for repayment.
8. The CDBG-DR awarded funds must not result in a Duplication of Benefits (DOB).
9. The DR-Workforce Program cannot provide funding directly to individuals or For-Profit Business Enterprises. No funds will be paid directly to individuals seeking job training or Participant Supportive Services.

10. Subrecipients have until January 31, 2026, to expend the DR-Workforce grant funds. All services must be provided within the expenditure deadline and all performance milestones provided within the Standard Agreement.

3.9. Program Outreach

HCD conducts technical assistance and outreach prior to and following the release of the NOFA to ensure potential Applicants understand the application requirements, award prioritization, and application process. The outreach includes a variety of opportunities for local Jurisdictions and organizations to learn about the 2018 DR-Workforce Program through webinars, resource guides for use of funds, and technical assistance in submitting a NOFA response.

Aside from HCD's outreach to potential Subrecipients, during each Workforce Training Program's implementation, Subrecipients shall be mindful of equitable access and transparency to the public about the DR-Workforce Program. Subrecipients and Training Operators must target information about participating in the Workforce Training Programs to LMI Individuals impacted by the disaster ("potential beneficiaries") through specific, accessible, and equitable marketing campaigns. Marketing and outreach guidance must be developed to help target these populations which includes but is not limited to Limited English Proficiency (LEP) compliance.

4. Program Requirements

4.1 Eligible Activities

a. Public Service Activities

1. Workforce training is an eligible Public Service activity in accordance with the Housing and Community Development Act, as amended (HCDA) section 105(a)(8). Workforce training includes programs that support workforce development, apprenticeships, job placement, trade training, and other activities specific to preparing individuals for employment.

The Workforce Training Programs must provide benefit within at least one Eligible Disaster Impacted Area. All services, job training, and Participant Supportive Services shall be provided at no cost to the income eligible trainee.

2. Participant Supportive Services is also an eligible Public Service activity. Participant Supportive Services is a range of ancillary services offered to help trainees successfully access and participate in a Workforce Training Program and support gainful employment. Participant Supportive Services may be provided by either a Partner, Subrecipient, or a Training Operator that has expertise in the services they offer to help reduce barriers to participation in training and employment.

Examples of Participant Supportive Services include, but are not limited to:

- health and mental health care,
- transportation,

- financial literacy,
- assistance with securing personal identification,
- housing placement and stability,
- life skills development,
- assistance with childcare,
- parenting classes, and
- peer support and mentoring programs among others.

To meet HCD's goals of supporting successful Workforce Training Programs that are accessible to trainees, Subrecipients are encouraged to provide Participant Supportive Services either in-house or through partnerships whenever possible. Depending on the anticipated needs of the trainees, Participant Supportive Services can be delivered in a variety of ways to include, but not limited to on-site, mobile, or virtual. Applicants must provide a written description in their applications as to how they determined the type of Participant Supportive Services needed and a plan for how the Participant Supportive Services will be provided to their program participants.

b. Public Facilities Activities

HCD understands that a Subrecipient may need to acquire land or make improvements to Public Facilities or infrastructure to bring their Workforce Training Programs to bear in the community. Subrecipients are encouraged to leverage other federal, state, and local funds for acquisition/leases and construction improvement activities but, if an Applicant has no other source to pay for such activities, the DR-Workforce Program will consider Public Facility supplemental activities for the DR-Workforce grant funding. These activities include:

- Acquisition (including long-term lease)
- Improvements of Public Facilities, commercial, industrial, and privately owned buildings
- Rehabilitation of Public Facilities, commercial, industrial, and privately owned buildings

Applicants should consider whether their Public Facility acquisition and/or improvement can be performed within the performance period. Any acquisition of a Public Facility will require a deed restriction stating no change of use for five years, so the Facility will have to be maintained as Public Facility for a full five years. Additionally, for long-term ground leases, to ensure the HUD funding, for the specific program, is being used to operate the program for which the application was submitted, long-term leases usually must be paid up-front.

The DR-Workforce Program is a client-based program. For facility acquisition, improvement, and/or rehabilitation to be eligible, the facility must be used for an eligible workforce training and/or Participant Supportive Service program. Subrecipients awarded funds for Public Facilities under this Program will be required to show that the

Public Facility is being used for the intended Workforce Training Program by submitting at least one activity report that demonstrates eligible use of the facility prior to the end of the performance period, as identified in the Subrecipient's Standard Agreement.

4.2 Geographic Requirements

Subrecipient's Workforce Training Programs must directly impact or provide benefit within an Eligible Disaster Impacted Area. Workforce Training Program applications must demonstrate how their proposed Workforce Training Program provides a benefit to support recovery in the 2018 Eligible Disaster Impacted Area.

a. Eligible Disaster Impacted Areas (**Appendix A**)

The map in **Appendix A** shows the five Eligible Disaster Impacted Areas, including the counties of Butte, Lake, Shasta, Los Angeles, and Ventura.

In accordance with 85 FR 4681, at least 80 percent of funds must be spent in HUD defined "Most Impacted and Distressed" (MID) areas, which includes Butte, Lake, Shasta and Los Angeles counties, and up to 20 percent of the funds may be spent in the "Disaster Declared" Impacted county of Ventura. To meet this requirement eligible Public Services activities must be provided within the Eligible Disaster Impacted Areas (EDIA) of: Butte, Lake, Los Angeles, Shasta, and Ventura or the public services must benefit one of the EDIAs.

4.3 Eligible Applicants

HCD is using a Subrecipient model to deliver the Program funding. All Applicants awarded DR-Workforce funds will enter into a Standard Agreement with HCD.

Eligible Applicants must provide eligible services within the Eligible Disaster Impacted Areas.

a. Eligible Applicants include:

1. Jurisdictions (local city, town, or county governments)
2. Nonprofit Organizations
3. Postsecondary Educational Institutions (including career technical institutions)
4. Local Workforce Development Boards (LWDB)

The following entities are not eligible Subrecipients:

- Individuals
- For-Profit Business Enterprises

4.4 Eligible Applicant Partners

HCD encourages Applicants to create formal partnerships for regional collaboration and increased program impact. Additionally, Applicants may want to collaborate with Partners

for purpose of providing Participant Supportive Services. While Participant Supportive Services are ancillary, they are essential to the success of Workforce Training Programs. Participant Supportive Services are generally considered difficult for the Applicant to provide without partnerships. Therefore, Applicants are encouraged to collaborate with entities that have experience in the related service to help increase the chances of trainees' success in training participation and/or job placement.

HCD requires all Subrecipients and/or their Partners to have a minimum of 3-years' workforce training or related fields experience. Applicants must collect current licensing and accreditations for Partner training providers to be summarized in their application. If acquisition or construction activities are included in the proposed program, the Applicant and/or Partner is required to have at least 1-year of experience with federal grants in carrying out federally funded acquisition and/or construction.

Examples of entities Applicants may find desirable Partners for providing relevant Participant Supportive Services include, but are not limited to:

- Other Eligible Applicants
- Tribal Entities
- Community Based Development Organizations
- Professional and Trade Associations
- Community colleges
- Schools and school districts
- Local and regional businesses
- State and local government agencies
- Medical providers
- Community based organizations
- Transportation authorities or agencies
- Other training, job placement, and apprenticeship programs

Partners providing Participant Supportive Services, other than the Subrecipient must be engaged in a fully executed, written partnership agreement with the Subrecipient. Applicants must provide documentation of a pending partnership (if partnership is not fully executed) at the time of application and documentation of a formal executed partnership agreement is required prior to an Applicant accepting an award.

The formal partnership is between the lead Applicant and its Partner(s). The Standard Agreement will be between HCD and the lead Applicant with the lead Applicant being wholly responsible for all terms and conditions of the Standard Agreement. Joint applications will not be accepted. It is the lead Applicant's responsibility to adhere to the executed written partnership agreement.

Partner Requirements:

- Must provide eligible public service activities to benefit the Eligible Disaster Impacted Areas (EDIA) of Butte, Lake, Shasta, Ventura, or Los Angeles.

- Not be debarred or suspended or excluded from participation in Federal assistance programs.
- Demonstrate capacity and experience to provide the proposed services.
- Partners cannot make profit. Costs must be allowable (2 CFR 200.403), reasonable (2 CFR 200.404), and allocable (2 CFR 200.405) to meet CDBG-DR cost principals.

Partners must meet the eligibility requirements and qualifications of a Partner acting as a training operator or participant supportive service provider.

Applicants cannot receive a Standard Agreement for a project with a Partner unless the Applicant meets the following four conditions:

1. The Applicant provides documentation, including an organizational chart, that shows Applicant and the Partner has capacity to administer the grant and comply with all terms and conditions for itself and all Partners included.
2. The Applicant provides a written monitoring plan of the Partner for the proposed project(s). The monitoring plan must demonstrate that the Applicant has sufficient understanding of the Program requirements, the applicable federal and state regulations, and the capacity to monitor the work of its Partner(s).
3. The Applicant provides the formal executed agreement between the Applicant and the Partner. The written partnership agreement must at minimum outline the role, compensation method, scope of work, timelines, milestones, and goals that support the evidence of successful workforce training participation and/or job placement.
4. For Applications with Tribal Entity Partners: In addition to the partnership agreement, the Authorizing Resolution for Tribal Governments, **Appendix E-3** of this manual, must also be adopted, signed, and included with the Application to ensure Tribal consent has been given. The Tribal Entity's bylaws, or appropriate governing documents, must also be provided at the time of application. If the governing documents of the organization are not reflective of the current board makeup, the Applicant/Requestor must provide an explanation of the discrepancy in the application.

It is acceptable for Partners to join a program after the Applicant becomes a Subrecipient and has a CDBG-DR award, but HCD may not provide additional funding. The Subrecipient will need to work out funding arrangements separate from the CDBG-DR grant if the partnership was not approved as part of the original application during the NOFA process. Moreover, HCD must approve new partners and will be held to the same standard as if submitted at time of application (submit all required documents and meet application requirements) and HCD may deny award in its full discretion.

4.5. National Objective Requirement

In accordance with 24 CFR 570.208, Section 104(b)(3) of the HCDA, and as further outlined within the waivers and alternative requirements in applicable Federal Register Notices, namely 85 FR 4681, all CDBG-DR funded activities must satisfy a CDBG-DR National Objective. Subrecipients must demonstrate that funded activities meet HUD's LMI National Objective.

a. Low- and Moderate- Income Clientele (LMC) category

The awarded Workforce Training Programs must meet requirements for HUD's LMI National Objective by utilizing the Low- and Moderate- Income Clientele (LMC) category.

To ensure Subrecipient's meet HUD's LMC National Objective threshold, HCD has set a higher LMC threshold for the DR-Workforce Program. HCD's objective is for the DR-Workforce Program's Subrecipients to serve a minimum of 85 percent LMI individuals. Therefore, HCD requires Subrecipients to adopt an LMI training participant goal of 85-100 percent to ensure compliance with this objective.

To qualify under the LMC category, Subrecipients must:

1. Require documentation on each trainee's family size and annual income to verify that at least 85 percent of the Beneficiaries are LMI.
2. Retain data records showing the trainee's family size and annual income of each person receiving the benefit.

Reference: [§570.208\(a\)\(2\)\(i\)\(A\)](#)

Subrecipients should keep in mind that trainees that do not complete the training program course will not count as meeting the LMC national objective thus it is imperative that Subrecipients keep a log of the active trainees and the ratio of active/completed LMI to non-LMI trainees. Subrecipients that do not meet the 85 percent minimum LMC threshold will be out of compliance with their Standard Agreement and are required to submit documentation to show their efforts to recruit and serve LMI Individuals. Subrecipients that do not meet the HUD statutory 51 percent LMI participation will not be reimbursed with CDBG-DR funds and are at risk of recapture of previously reimbursed CDBG-DR funds. Thus, HCD setting a more restrictive LMI participation threshold of 85-100 percent for the DR-Workforce Program.

b. National Objective Required Documentation

Subrecipients must document how CDBG-DR expenditures benefit LMI Clientele. The Subrecipient must use the [HUD income limits](https://www.hcd.ca.gov/grants-and-funding/income-limits/state-and-federal-income-rent-and-loan-value-limits) (https://www.hcd.ca.gov/grants-and-funding/income-limits/state-and-federal-income-rent-and-loan-value-limits) that are in effect at the time of the review to determine income eligibility for participating trainees. Subrecipients are expected to maintain clear and accurate records of trainees'

information to show how the HUD National Objective is met and how the HCD goal of at least 85 percent LMI is met or was attempted. More detailed guidance to determine trainee's LMI eligibility is provided below.

HUD's income limits are published and updated annually on their website at <http://hudexchange.info/resource/5334/cdbg-income-limits/>.

c. LMI Eligibility Determination

Subrecipient's Training Operators must collect a Self-Certification of Annual Income Form, **Appendix B**, or a comparable form, from each training participant to determine income eligibility.

Low-income persons are individuals whose total annual family income does not exceed 80% of the area median family income based on family size. Total Family Annual Income is the amount of verifiable income anticipated to be received over the next 12 months. Additional expected sources of income and the amount expected during the period participating in the CDBG-DR funded activity must be included in this calculation of annual family income. Types of income to be included are wages, tips, self-employment income, interest/dividends, SSI or other public assistance, social security or other income received on a regular basis such as VA payments, retirement benefits, unemployment compensation, etc. Beneficiaries must be determined to be income eligible at the time assistance is provided. Beneficiary must be recertified if assistance is not provided within 12 months of the initial income certification. For further information see Appendix B.

1. Income Verification Process

HCD recommends that Subrecipients request source documentation for at least five percent of the training participant's income self-certification for accuracy. To sample five percent of the training participant's income claim, Subrecipients may use the Income Verification Packet in Appendix C to collect detailed income information and supporting documentation from the training participants. The Income Verification Packet along with the instructions on how to use it are provided in the Program solicitation files.

Training participants that are not willing to verify income, in a manner consistent with federal or state regulations either by self-certification or a complete income verification review, will be presumed to be over the LMI threshold and will not count toward HUD's LMI requirement of 51 percent, or the Program minimum threshold of 85 percent. Moreover, participants that are not verified as LMI are not eligible for free workforce training services or Participant Support Services if those services are not already provided to every participant in the relevant Workforce Training Program.

It is critical for compliance that Subrecipients and their Training Operators, if applicable, collect the correct income documentation from training participants, but it shall not be a barrier to the Beneficiary's participation if the Beneficiary struggles to provide the information or to understand the request. As such, Subrecipients are reminded to utilize

their language access plans, to anticipate barriers, and develop strategies around overcoming those barriers, and to work with Partners, if applicable, who can provide relevant Participant Supportive Services, such as those that may help training participants overcome challenges with documentation of identity or income to lower barriers to participation.

4.6. Eligible Trainee/Beneficiary

By nature of the National Objective, Workforce Training Programs must primarily serve LMI Individuals. Therefore, Training Operators should focus their outreach efforts to target LMI Individuals. DR-Workforce Applicants must also elaborate in their outreach and marketing plan how sensitive information (i.e., family income and addresses) from trainees will be collected, tracked, maintained, and protected to demonstrate compliance with the 85 percent LMI trainee participation requirement.

4.7. Tie-Back to Disasters

Workforce Training Programs supported by the DR-Workforce Program must tie-back to the 2018 disasters. Workforce Training Program applications must demonstrate how the job training supports disaster recovery through social and economic recovery needs in the Eligible Disaster Impacted Areas from the following federally declared disasters:

- DR-4382 California Wildfires and High Winds (July 23, 2018 – September 19, 2018)
- DR-4407 California Wildfires (November 08, 2018 – November 25, 2018)

The disaster tie-back must clearly show how the proposed Workforce Training Program will address impacts from the applicable disaster on the workforce and the local or regional economy. Tie-back should describe how the program will help improve the community's economic stability and provide opportunities for Low- and Moderate- Income Individuals. The following types of workforce training opportunities may be considered related to disaster recovery, but the Applicant is expected to make a case for the connection of any training that is proposed in the application:

- Construction trades (includes labor and/or licensing)
- Apprenticeships
- Heavy Equipment Operators
- Wildland and Forestry Fire Training
- Ecological Restoration Training
- Forest Restoration Training
- Ecological and Structural Hardening Training
- Arborist Training
- Modular Home and Mobile Home Construction Training Programs
- Enhanced Resiliency Training Programs
- Inspectors
- Code Enforcement
- Permit Technicians

- Clerical (i.e., support staff to business owners)
- Healthcare
- And other job classifications that support recovery efforts from the 2018 wildfire disasters

4.8. Budget Considerations

Subrecipients will operate a Workforce Training Program based on their final budgets submitted during the NOFA process in Grants Network, including the total activity budget and CDBG-DR budget. HCD provides a *Total Activity Budget Template* (located in the solicitation “files” tab in Grants Network) that Applicants use at the time of application to estimate actual costs for all line items that are part of the respective Workforce Training Program, regardless of funding source including the line-items that will be funded from the 2018 CDBG-DR grant. The CDBG-DR budget shall only include eligible CDBG-DR costs which are considered for reimbursement by the HCD as part of the award during the NOFA Application process.

HCD reimburses eligible costs that meet the federal cost principles of being allocable, necessary, and reasonable, as defined in 2 CFR 200.404. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. Prior to an award, HCD reviews the budgets submitted by the Applicant and will reject costs for further review that do not conform with the cost principles requirements stated above.

While HCD is not reimbursing Subrecipients based on a per trainee basis, Training Operators should have an understanding, based on their budget, of the estimated cost per student to operate the training program. See Section 6.7 Disbursement of Funds for details on documentation required for reimbursement of program costs.

4.9. Eligible Activity Costs

Activity Costs can be identified specifically with a particular cost objective and directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated as either direct or indirect costs:

- Indirect Costs are necessary cost for the overall operation of the CDBG-DR grantee or Subrecipient. These costs may not be directly related to the any particular program activity. Indirect costs are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to that cost objective.
- Direct Costs are those costs that identify specifically with the CDBG-DR funded program or project and are required for the implementation of the Workforce Training Program or project. Direct costs can be identified with a particular final cost objective.

Each CDBG-DR eligible activity has associated costs. The following section provides further details on the most common eligible costs for each eligible activity permitted in the DR-Workforce Program.

4.10. Types of Eligible Activity Costs

a. Public Service Eligible Activity Costs

The DR-Workforce Program allows Public Service activities for job training and Participant Supportive Services to LMI Individuals.

Eligible Public Service Activity Costs may include, but are not limited to:

- Workforce training labor (training, instruction, apprenticeships, on the job training vouchers and/or certification of trainees).
- Career services, including job readiness and job placement services.
- Participant Supportive Services.
- Materials, supplies, software, and instructional materials for training and educational purposes determined necessary for workforce training activities. All purchased materials and supplies will need to be acquired through proper procurement procedures compliant with 2 CFR 200.
- Stipend on behalf of persons participating in a Workforce Training Program to defray out of pocket costs trainees incur while attending job training such as needed equipment including required workwear. (See point below under ineligible costs. Some costs are eligible for three consecutive months only and must be paid directly to the service provider on behalf of the program trainee.)
- Operation and maintenance of the portion of a facility in which the Public Service is located, includes lease of a facility, equipment, utilities, and other property needed to deliver job training and other Participant Supportive Services.
- Trainee outreach and education campaigns to increase participation.
- Workforce Training Program instruction.
- Staff time for job training activities, including:
 - Coordination, collaboration, oversight, and program management
 - Quality Assessments/Quality Control and review of deliverables
 - Monitoring, reporting, invoicing, and evaluation
 - Outreach and coordination with citizens and stakeholders; and
 - Coordination, compilation, development, or analysis of new or existing data and studies
- Certain moveable property, software, and other indirect costs.⁴
- Equipment and software necessary to conduct the activity.
- Vendor activities necessary to deliver job training activities.

⁴ Indirect costs are those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. 2 CFR Part 200.414 and 200.416.

b. Public Facilities Eligible Activity Costs

The DR-Workforce Program allows Public Facilities activities for acquisition, site improvements, or rehabilitation of Public Facilities (except for buildings for the general conduct of government), commercial, industrial, and private owned buildings.

Eligible Public Facility Activity Costs may include, but are not limited to:

- Purchase price of real property that will be used for providing Workforce Training Program and/or Participant Supportive Services. Including all costs associated with pre-purchase activities such as appraisals, title work, and URA compliance.
- Construction costs associated with rehabilitating or adding improvements to a Public Facility, commercial, industrial, or privately owned building that will be used for providing Workforce Training Program and/or Participant Supportive Services. Including costs associated with pre-construction activities such as design and engineering, general conditions, and labor compliance implementation (i.e., Davis Bacon and Section 3).
- Utility improvements by a local government Subrecipient to a project that will provide workforce training activities.
- Site improvements to an area that will be used for workforce training activities but where no building exists. (i.e., a site for delivery of mobile training services).
- Acquisition of real property and related costs.
- Engineering or architectural professional services.
- Rehabilitation of buildings and improvements (including the reconstruction or rehabilitation of privately owned properties and including the renovation of closed school buildings).
- Construction costs for facility improvements.
- Completion of Environmental Review.
- Remediation of environmental contamination.

CDBG-DR funds are only available to reimburse for Public Facility Activity Costs if the Applicant can demonstrate budgeted costs that are necessary to provide for a physical facility location in one of the five Eligible Disaster Impacted Areas to carry out the job training and Participant Supportive Services. Applicants are encouraged to leverage other funding sources to cover the facility acquisition or construction costs. Subrecipients who are awarded funding and intend to carry out acquisition or construction activities are expected to be familiar with and comply with the following federal regulations, as applicable:

- Davis Bacon and related Acts for construction contracts funded by CDBG-DR funds that exceed \$2,000
- Section 3 of the HUD Act of 1968, Final Rule⁵
- Uniform Relocation Act and Section 104(d)⁶

⁵ [Section 3 Guidebook: Final Rule - HUD Exchange](#)

⁶ [CDBG-DR The Uniform Act and Section 104\(d\) in Disaster Recovery \(hudexchange.info\)](#)

4.11. Activity Delivery Costs

Activity Delivery Costs (ADCs) are a subset of Activity Costs that must comply with [cost principles](#) and must be accounted for separately but within the associated CDBG-DR budget. Activity Delivery Costs (ADCs) are allowable costs incurred by Subrecipients to implement (“carry out”) specific CDBG-DR activities. ADCs are costs incurred for the implementation, management, or oversight of an activity. Common examples of ADCs include the cost of staff directly implementing the activity or supplies and equipment allowable and necessary for successful completion of the activity. Reasonable ADCs are eligible as authorized under 24 CFR 570.201-570.204.

a. An ADC must be:

- Allocable, allowable, and reasonable to a CDBG-DR assisted activity,
- Meet a National Objective, and
- Meet all other DR-Workforce Program requirements.

4.12. Types of Activity Delivery Costs (ADCs)

a. Activity Delivery Costs in Public Facility Activities:

The ADCs cover the costs of staff directly carrying out the activity in addition to equipment and supplies that are necessary for successful completion of the activity. Reasonable ADCs are eligible as authorized under 24 CFR 570.201-570.204. Note, ADCs are a subset of program Activity Costs and must be accounted for separately but within the associated CDBG-DR activity budget.

b. Examples of Eligible DR-Workforce Public Facility/Construction ADCs:

- Training applicant intake/eligibility screening.
- Staff costs to administer/provide a Workforce Training Program.
- Filing cabinets used for filing applications for CDBG-DR assistance.
- Engineering/design/architecture services for a project.
- Leased office space and related utility costs for delivering a single program, if not included in indirect costs. Be careful – not usually allowed to determine this based on simple pro-ration of all costs/space.
- Travel costs to sites for job training purposes (CDBG-DR funds may only be used for travel costs related to the specific eligible CDBG-DR activities).

c. Activity Delivery Costs in Public Service Activities:

Unlike the Public Facility component of the DR-Workforce Program, in Public Service activities, ADCs are easily confused with the costs to provide the Public Service, also

known as Activity Costs which are described in *Section 4.10.a Public Service Eligible Activity Costs*. Staff time and supplies/materials for application intake are costs to implement the Public Service and are therefore Activity Costs, not ADCs. Such costs are treated just like the labor costs and building materials in a Public Facility construction activity.

For example, if a Subrecipient utilizes a contracted entity/Partner to implement workforce training and/or Participant Supportive Services, 100 percent of the contracted entity's cost are Activity Costs. The Subrecipient, however, itself could incur eligible ADCs related to the following types of activities:

- Subgrantee(s) selection (i.e., NOFA or procurement) and development and execution of written agreements.
- General oversight and program management of Partners/entities.
- Staff time spent monitoring and training the Partners/entities.

4.13. Ineligible Costs

HCD may amend this list at any time to include additional ineligible costs:

- Income payments, including trainee wages, housing costs, or stipends.
 - Income payments are payments to an individual or family, which are used to provide basic services such as food, shelter (including payment for rent, mortgage, and/or utilities) or clothing (with the exclusion of wearable materials and supplies related to the workforce training activities) that extend beyond three consecutive months and are not paid directly to the service provider on behalf of the program trainee.
- Continuous subsistence payments or non-emergency payments for more than 3 consecutive months, such as ongoing rent subsidies or heating bills.
- Direct payments to individuals (payments must go directly to service providers).
- Immovable equipment purchase, lease, or maintenance.
- Political or religious activities.
- Lobbying activities.
- Entertainment, including amusement, diversion and social activities, food and beverages associated with training, and other entertainment related personal activities.
- Costs associated with preparation of the grant application.
- Costs incurred prior to the date of the execution of a Standard Agreement.
- Travel not associated with the Workforce Training Program.
- Donations and contributions, including cash, services, or property.
- Fundraising activities.
- Investments in instruments or for the sole purpose of a return on investment.
- Expenditure of funds on activities that do not benefit the Eligible Disaster Impacted Areas.

- Any costs determined as unallowable or ineligible pursuant to applicable state or federal laws or regulation, or guidance from HUD, HCD, or any applicable state or federal agency.
- Funding for activities already provided by a city or state, ongoing funding for municipal services.
- Purchase of construction equipment to use for facility improvements.
- Furnishings and other personal items.
- New construction.
- Planning costs, that are not associated with proposed program or project set-up.

a. Repayment

If CDBG-DR funds reimburse ineligible costs or activities, the total amount of CDBG-DR funds expended on ineligible costs must be repaid in full (activity, activity delivery and/or administrative funds). HCD will return the funds to the Subrecipient for use for eligible activities if the Standard Agreement is still in effect. If the Standard Agreement has expired, HCD returns funds to the CDBG-DR grant to redistribute if the CDBG-DR grant is still active. If the CDBG-DR grant is near closeout and amendments or additional activities are no longer allowed, HCD submits options for use of the returned funds to HUD to determine the appropriate action.

4.14. Subrecipient Requirements

HCD is using a Subrecipient model to deliver the Program funding. All Applicants awarded funds will enter into a Standard Agreement with HCD and must provide eligible services within the Eligible Disaster Impacted Areas.

All CDBG-DR funded Workforce Training Programs must address the performance milestones defined in *Exhibit A Section 5 of the Standard Agreement*, a copy of said Agreement can be found in the solicitation “files” tab in Grants Network System. The Applicant must submit a program schedule that clearly demonstrates compliance with each of those performance milestones. HCD recommends copying each performance milestone from the Standard Agreement and incorporating into Applicant’s program schedule. Performance milestones generally cover such things as completion date of environment review, commencement of the Workforce Training Program, timely expenditure of funds, timely service to beneficiaries, and expenditure deadline. The expenditure deadline for this Program is January 31, 2026, as provided in the Standard Agreement.

5. CDBG-DR and Cross-Cutting Federal Requirements

HCD and its Subrecipients must comply with all applicable federal regulations and laws, including but not limited to the identified Cross-Cutting Federal Requirements below. Further, all DR-Workforce projects must comply with any and all applicable State of California, and locally adopted codes, regulations, and ordinances. This section provides a summary of the significant and applicable CDBG-DR and Cross-Cutting Requirements for all DR-Workforce activities.

5.1. Capacity to Deliver Services

Applicant must identify the personnel or organizations who will perform the proposed services, such as trainings or Participant Supportive Services. If funding for such services is being sought through this Program, the Applicant must also indicate if they are in-house staff or if contracted personnel are being, or will need to be, procured.

HCD evaluates the qualifications and experience (if the staff are already identified) to confirm that Applicants have the capacity to deliver the services for which funding is being requested. HCD evaluation follows the eligibility criteria that Applicant and/or Partner must have at least 3-years of experience with Workforce Training Programs.

5.2. Limited English Proficiency (LEP)

In accordance with Title VI of the Civil Rights Act of 1964, all programs and operations of entities that receive financial assistance from the federal government, including but not limited to state agencies, local agencies, and for-profit and Nonprofit entities (such as Subrecipients in the DR-Workforce Program), must comply with the Title VI requirements.

Subrecipients are required to make reasonable efforts to provide language assistance to ensure meaningful access for LEP persons. To do this, the Subrecipient shall:

- Conduct a four-factor analysis,
- Develop a Language Access Plan (LAP), and
- Provide appropriate language assistance.

Instructions about how to comply with the *LEP Requirements*, as provided in **Appendix D-1**, and an *LAP Template* is provided in **Appendix D-2**.

5.3. Duplication of Benefits

Federal disaster law prohibits the provision of federal assistance in excess of need. Before making a DR-Workforce award and reimbursing Activity Costs with CDBG-DR assistance, HCD must verify that the assistance will not cause a Duplication of Benefits (DOB). A DOB occurs when financial assistance is received from another source that is provided for the same purpose as the CDBG-DR funds. Potential sources include local, state, federal, or philanthropic funding received to address the Workforce Training Program activities. Failure to provide full disclosure of all assistance received results in recapture of funds for those amounts that are determined to be duplicative.

CDBG-DR funding is subject to compliance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the "Stafford Act"), including rules related to DOB. Federal Register notices governing CDBG-DR awards impose these DOB requirements on grantees. In DR-Workforce, HCD will ensure that the CDBG-DR grant award assists only to the extent that a disaster recovery need has not been fully met. Federal sources of recovery funding should also only be made available after all other forms of disaster assistance have been exhausted.

HCD will perform a DOB analysis of each Eligible Applicant prior to executing a Standard Agreement to check for other sources of funding made available for the same purpose. By way of an Applicant's response to the DR-Workforce NOFA and later by entering a Standard Agreement with HCD, Applicants confirm that HCD will be notified of a potential DOB throughout implementation, by accounting for any funds that have been provided to them for the same purpose. Funds or services received by a Subrecipient are not considered a DOB if the funds were provided for a different purpose.

5.4. Duplication of Benefits Verification

a. DR-Workforce Applicant

Funding from other funding sources is verified through Applicant provided information. Applicants are required to provide a total activity budget requesting disclosure of other funding sources, support documentation, including award commitment letters, declined letters and other documentation supporting the amount, and uses of funding received for administering Public Services related to the 2018 disaster events. Along with the total activity budget, Applicants must also complete a *DOB Affidavit* (located in the solicitation "files" tab in Grants Network System).

5.5. Section 3 of the HUD Act of 1968⁷

Section 3 of the Housing and Urban Development Act of 1968 (Section 3), as amended, requires that economic opportunities generated by CDBG-DR funds be targeted toward Section 3 residents. Section 3 eligible residents are low- and very low-income persons, particularly those who live or reside in public/government assisted housing. Section 3 compliance and reporting applies to Subrecipients utilizing CDBG-DR funding for housing or other public construction activities (i.e., Public Facilities), and does not apply to Subrecipient activities that are exclusively for Public Services. For those Subrecipients that Section 3 does apply, which could only be those performing eligible Public Facilities activities, to the greatest extent feasible, they are to provide training and employment opportunities to lower income residents and contract opportunities to businesses in the project area.

More specifically Section 3 requirements are triggered when Public Facility construction related activities assisted with DR-Workforce funds are in excess of \$200,000. When triggered, best efforts must be made to extend Section 3 opportunities to verified Section 3 residents and businesses for construction related activities. The Subrecipient must meet these minimum numeric goals: (1) 25 percent of the total hours worked on a Section 3 project must be worked by Section 3 workers; and (2) five percent of the total hours worked on a Section 3 project must be worked by Targeted Section 3 workers.

⁷ [Section 3 Guidebook: Final Rule - HUD Exchange](#)

All outreach for and solicitation of opportunities related to the triggering activities must be documented.

The Subrecipient and Subrecipient's Partners shall comply with Section 3 and implementing regulation at 24 CFR Part 75. The responsibilities outlined in 24 CFR Part 75.19 include:

Implementing procedures designed to notify Section 3 workers about training and employment opportunities generated by Section 3 covered assistance and Section 3 business concerns about contracting opportunities generated by Section 3 covered assistance.

Notifying potential Contractors for Section 3 covered projects of the requirement of Part 75, Subpart C and incorporating the Section 3 Clause set forth below in all solicitations and contracts.

a. Section 3 Clause

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.

The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in

this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.

The Contractor acknowledges that Subrecipients, Contractors, and subcontractors are required to meet the employment, training, and contraction requirements of 24 CFR 75.19, regardless of whether Section 3 language is included in recipient or Subrecipient agreements, program regulatory agreements, or contracts.

The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 75.

Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

The Contractor agrees to submit, and shall require its subcontractors to submit to them, quarterly reports detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 workers and Targeted Section 3 workers.

The *Project Completion Report* shall also include a Section 3 Summary Report of the total number of labor hours worked by all Contractors and subcontractors, the total number of labor hours worked by Section 3 workers, and the total number of labor hours worked by Targeted Section 3 workers, as required pursuant to 24 CFR 75.25(a). In the event that the number of Section 3 worker labor hours divided by the total labor hours worked by all workers on a Section 3 project does not meet or exceed HUD's Twenty-five percent standard, and/or that the number of Section 3 targeted worker labor hours divided by the total labor hours worked by all workers on a Section 3 project does not meet or exceed HUD's Five percent standard, Subrecipient shall provide additional reporting on the qualitative nature of its activities and those its Contractors and subcontractors pursued, as defined at 24 CFR 75.25(b). The standards for hours worked by Section 3 Workers and Targeted Section 3 Workers are subject to change by HUD as published in the Federal Register.

DR-Workforce Program projects are required to meet Section 3 requirements as shown above. Section 3 goals and objectives are set depending on the date of completion of each project and project bid dates. HCD staff ensures that Section 3 objectives are

addressed through direct technical assistance with Subrecipients and file reviews of projects.

HCD requires the following actions of all Subrecipients to ensure compliance with Section 3:

- Prepare and utilize a Section 3 Plan,
- Designate a Section 3 Coordinator,
- Take affirmative steps to follow the Section 3 Plan and document those efforts, and
- Include the *Section 3 Clause* and the *Contractor Certification of Efforts* to fully comply with employment and training provision of Section 3 in any bid packets for contracts on CDBG-DR projects. Notify all bidders that adherence to the recipient's Section 3 Plan is required for contracts and sub-contracts in excess of \$200,000.

HCD has Section 3 training for Subrecipients available on our website at: [Disaster Grant Administration & Reporting | California Department of Housing and Community Development](#) under Subrecipient Training.

5.6. Supplanting Funds

CDBG-DR funds are intended to fill a gap in an eligible Workforce Training Program budget that would not otherwise be filled by other sources. CDBG-DR funds may not supplant other federal, state, or local funds. The NOFA application must document that the CDBG-DR funds if awarded are above and beyond any annual appropriations that are provided for the same purpose. Once Program funds are awarded, the Subrecipient will continue to document that funds expended on workforce training are above and beyond any other funding available through other sources for the same purpose, including any funding available through the Workforce Innovation and Opportunity Act, the Wagner-Peyser Act, and/or other federal, state, or local funding. Supplanting of funds is subject to recapture as stated below. Supplanting of funds is treated as a Duplication of Benefits (DOB), as well as fraud, waste, and abuse.

5.7. Cost Reasonableness

HCD reimburses for eligible costs that are reasonable, as defined in 2 CFR §200.404. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent individual under the circumstances prevailing at the time the decision was made to incur the cost. HCD may choose to determine standard reasonable costs for the reimbursement of specific costs under this grant and to deny costs that are determined to not conform with cost reasonableness.

5.8. Recapture

HCD is responsible for ensuring that the CDBG-DR funds awarded by HUD comply with all federal, state, and local requirements. In situations where funds are disbursed to Subrecipients and later determined to be ineligible for assistance or are used for

ineligible activities, a Subrecipient may be required to repay all, or a portion of the funds received. The reasons for recapture include, but are not limited to, the following:

- Subrecipient does not comply with the terms of the Standard Agreement.
- A Subrecipient withdraws from the DR-Workforce Program prior to completion of the program and/or fails to meet a National Objective.
- A Workforce Training Program does not meet the DR-Workforce Program requirements.
- Program funds are found to be used for an ineligible activity or cost.
- A Subrecipient receives assistance for the same purpose as the CDBG-DR funded Workforce Training Program, including, but not limited to, other federal, state, or philanthropic funding.
- Funds are remaining after the Workforce Training Program is completed, the expenditure deadline has passed, or the Standard Agreement has expired.

The method to recapture funds and the timeframe for doing so are determined on an individual program basis. However, the recapture method and timeframe are consistent with 2 CFR part 200 and other applicable cost principles. Complete recapture provisions are included in the *Standard Agreement Exhibit B, Section 7* and must also be included in any agreements between the Subrecipient and other parties.

5.9. Environmental Review

An Environmental Review must be performed prior to federal funds being committed or disbursed by HCD and Subrecipients. The Environmental Review shall document compliance with 24 CFR Part 58, National Environmental Policy Act (NEPA), and all related laws, authorities, and executive orders. For DR-Workforce, each Subrecipient is responsible for completing Environmental Reviews of all programs and projects and must submit complete Environmental Review Records to HCD, the Responsible Entity, to grant the authority to use grant funds. Pursuant to 83 FRN 40314, HCD may accept another federal agency's Environmental Review. Subrecipients are also responsible for ensuring compliance with California Environmental Quality Act (CEQA), including the submission or designation of applicable waivers to the CEQA Clearinghouse with a copy to HCD. No work may start on a proposed Workforce Training Program, project, or proposed site acquisition, if applicable, before both the federal and state Environmental Review processes are completed, even if that work/acquisition is being done using non-federal funds. The DR-Workforce Program does not reimburse projects that have been determined to have a Finding of Significant Impact (FOSI).

Subsequent to submission of an application by a Subrecipient for the use of DR-Workforce funds, there can be **no choice-limiting actions** on the part of the Subrecipient until environmental clearance is received in the form of an Authority to Use Grant Funds (ATUGF) or environmental clearance letter issued by HCD. The concept of prohibiting **choice-limiting** actions is to prevent the Subrecipient from investing in a project before all necessary environmental clearances are obtained. Market studies, environmental studies, plan development, engineering or design costs, inspections and tests are not considered "choice-limiting" actions. **Choice-limiting actions** are defined

as any activity that would have an adverse environmental impact or limit the choice of reasonable alternatives, such as acquisition, construction, demolition of buildings or infrastructure, or rehabilitation or reconstruction of buildings or infrastructure. Per 24 CFR Part 58.22, failure to comply with the prohibition against committing funds or taking physical action (using either HUD funds or non-HUD funds) before the completion of the Environmental Review process could result in loss of HUD assistance, cancellation of the Workforce Training Program or project, reimbursement by Subrecipient to HCD for the amount expended, or suspension of the disbursement of funds for the affected activity.

a. Environmental Review Procedures

An Environmental Review, that complies with NEPA, must be completed before CDBG-DR funds are expended.

1. For applications that propose only Public Services activities, the Applicant must submit Environmental Review Record (ERR) and Request for Release of Funds (RROF), if applicable, to HCD for review at the time of submitting an application. For Applicants proposing to conduct Public Facility activities, then the Environmental Review process must commence within one month of the effective date of the Standard Agreement. If the Subrecipient wants to use DR-Workforce activity delivery funds to complete the Environmental Review after an award but prior to issuance of the related Standard Agreement, the Subrecipient must notify HCD of their intentions in writing prior to expending any funds and obtain HCD authorization to incur costs. If activity delivery funds will not be expended until after the Standard Agreement is issued, a written request is not necessary.
2. Upon receipt, review, and approval of a completed ERR, HCD provides the Subrecipient with an ATUGF, if applicable, or environmental clearance letter.
3. Upon receipt of the ATUGF or environmental clearance letter and NTP, the Subrecipient may incur project costs and draw down funds.
4. For all projects, Subrecipients are responsible for ensuring that DR-Workforce projects are in compliance with CEQA requirements and obtain all necessary local and state permits.

b. Flood Insurance and Floodplain Elevation Requirements

The Subrecipient shall comply with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001). The Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, that flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

Subrecipients must comply with the national floodplain elevation standards for new construction, repair of substantially damaged structures, or substantial improvements to Public Facilities in flood hazard areas. All structures designed for Public Facilities use

within a special flood hazard area (SFHA), or one percent annual chance, floodplain will be elevated with the lowest floor at least two feet above the base flood elevation level and comply with the requirements of 83 FR 5850 and 83 FR 5861.

5.10. Conflicts of Interest

Conflicts of interest between covered persons (e.g., Eligible Applicants, Subrecipients, program administrator, Contractors, or program staff) and other parties are strictly prohibited by federal law. A “covered person” is an employee, agent, consultant, officer, or elected official or appointed official of the State, or of a unit of general local government, or any designated public agencies, or recipients that are receiving CDBG-DR funds. Generally, no person who is a covered person, and who exercises or has exercised any functions or responsibilities with respect to CDBG-DR activities and who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

The conflict of interest regulations contained in the Standard Agreement between the recipient and HCD prohibit locally elected officials, State staff, recipient employees, and consultants who exercise functions with respect to CDBG-DR activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, from receiving any benefit from the activity either for themselves or for those with who they have family or business ties, during their tenure or for one year thereafter.

5.11. Americans with Disabilities Act

The Americans with Disabilities Act of 1990 (ADA) modifies and expands the Rehabilitation Act of 1973 to prohibit discrimination against "a qualified individual with a Disability" in employment and public accommodations. The ADA requires that an individual with a physical or mental impairment who is otherwise qualified to perform the essential functions of a job, with or without reasonable accommodation, be afforded equal employment opportunity in all phases of employment. HCD ensures that reasonable modifications or changes to policies and procedures are made in order to guarantee people with disabilities equal access to services and programs. Additionally, all activities are accessible, both structurally and administratively, to persons with disabilities. The requirement of ADA applies to all HCD, the Subrecipients, and vendors.

5.12. Copeland Act's Anti-Kickback Provision

The “Anti-Kickback” provision of the Copeland Act (40 USC, Chapter 3, Section 276c and 18 USC, Part 1, Chapter 41, Section 874; and 29 CFR Part 3) requires that workers be paid weekly, that deductions from workers’ pay be permissible, and that Contractors maintain and submit weekly payrolls.

The U.S. Department of Labor (DOL) describes the Copeland Act's Anti-Kickback as prohibiting Contractors and subcontractors performing work on covered contracts from in any way inducing an employee to give up any part of the compensation to which he or she is entitled. The Copeland Act and implementing regulations also require Contractors and subcontractors performing on covered contracts to pay their employees on a weekly basis and in cash or a negotiable instrument payable on demand and to submit weekly payroll reports of the wages paid to their laborers and mechanics during the preceding payroll period. Additionally, the Act's regulations at 29 CFR §§ 3.5 and 3.6 list payroll deductions that are permissible without the approval of DOL and those deductions that require consent of DOL and prohibit all other payroll deductions.

5.13. Contract Work Hours and Safety Standards Act

The Contract Work Hours and Safety Standards Act (40 USC, Chapter 5, Sections 326-332; and 29 CFR Part 4, 5, 6 and 8; 29 CFR Part 70 to 240) applies to contracts over \$100,000 and requires that workers receive overtime compensation (time and one-half pay) for hours they have worked in excess of 40 hours in one week. Violations under this Act carry a liquidated damages penalty (\$10 per day per violation).

5.14. Equal Employment Opportunity Act

Executive Order 11246, Equal Employment Opportunity, as amended, prohibits federal Contractors and federally assisted Contractors and subcontractors, who do over \$10,000 in government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identity or national origin. The Executive Order also requires government Contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.⁸

5.15. Minority- and/or Women-Owned Business Enterprises

Minority owned businesses (Section 8(a)) must be at least 51 percent unconditionally and directly owned by one or more socially and economically disadvantaged individuals who are citizens of the United States (CFR Title 13 Part 124). Women-owned businesses must be at least 51 percent owned and controlled by women who are U.S. citizens (CFR Title 13 Part 127 Subpart B).

The *Minimum Acceptable Outreach Standards Section 281 of the National Affordable Housing Act* requires each participating Subrecipient to prescribe procedures acceptable to the HUD Secretary to establish and oversee a minority outreach program ([2 CFR 200.321](#)) The Workforce Training Program shall include minority and woman-owned businesses in all contracting activities entered into by the Subrecipient. Therefore, minimum HUD standards require that each Subrecipient's outreach effort to minority and women-owned businesses be:

- A good faith, comprehensive and continuing endeavor,

⁸ 41 CFR Part 60

- Supported by a statement of public policy and commitment published in the print media of widest local circulation,
- Supported by an office and/or a key, ranking staff person with oversight responsibilities and access to the chief elected official, and
- Designed to utilize all available and appropriate public and private sector local resources.

Under the minimum HUD standards cited above, the following guidelines are provided for use by Subrecipients implementing outreach programs to ensure the inclusion, to the maximum extent possible, of entities owned by minorities and women. Each Subrecipients should:

- Develop a systematic method for identifying and maintaining an inventory of certified minority and women's business enterprises (MBEs and WBEs), their capabilities, services, supplies and/or products,
- Utilize the local media, electronic and print, to market and promote contract and business opportunities for MBEs and WBEs,
- Develop informational and documentary materials (fact sheets, program guides, procurement forecasts, etc.) on contract/subcontract opportunities for MBEs and WBEs,
- Develop procurement procedures that facilitate opportunities for MBEs and WBEs to participate as vendors and supplies of goods and services,
- Sponsor business opportunity-related meetings, conferences, seminars, etc., with minority and women business organizations, and
- Maintain centralized records with statistical data on the utilization and participation of MBEs and WBEs as Contractors/subcontractors in all HUD-assisted program contracting activities.

Each Subrecipient, utilizing the standards and guidelines listed above, shall prescribe procedures and actions it undertakes in implementing a minority and women's business enterprise outreach program. The above items represent basic outreach-related activities and are not all-inclusive actions a Subrecipient may undertake.

5.16.Fair Labor Standards Act of 1938 as Amended

The Fair Labor Standards Act of 1938, as amended (FLSA), establishes the basic minimum wage levels for all work and requires the payment of overtime at the rate of at least one and one-half times the basic hourly rate of pay for hours worked in excess of 40 per week. These labor standards are applicable to the entire construction contract whether or not CDBG-DR funds finance only a portion of the project. Excluding the exceptions listed below, all workers employed by Contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under HCD's DR-Workforce Program must be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended.

In some cases, the State of California prevailing wage rate and the Davis-Bacon prevailing wage rates both apply. In such instances, the higher of the two wage rates prevails. Exceptions to the FLSA include:

- Construction contracts of \$2,000,
- Real property acquisition,
- Architectural and engineering fees,
- Other services (such a legal, accounting, construction management),
- Other non-construction items (such a furniture, business licenses, real estate taxes),
- Rehabilitation of residential property designed for fewer than eight families, and
- Debris removal demolition, and/or clearance activities, unless related to construction (demolition and clearance as independent functions are not considered construction).

5.17.Davis-Bacon Labor Standards

The Davis Bacon and Related Acts (DBRA) requires all Contractors and subcontractors performing work on federal contracts or federally assisted contracts in excess of \$2,000 for construction, alteration, or repair (including painting and decorating) to pay their laborers and mechanics not less than the prevailing wage rates and fringe benefits for corresponding classes of laborers and mechanics employed on similar projects in the area. The prevailing wage rates and fringe benefits are determined by the Secretary of Labor for inclusion in covered contracts. Prime Contractors and subcontractors on Davis-Bacon Act contracts in excess of \$150,000, or related Act contracts in excess of \$100,000, are also required, pursuant to the Contract Work Hours and Safety Standards Act, to pay laborers and mechanics one and one-half times their basic rates of pay for all hours over 40 worked on a covered contract in a workweek.

Subrecipients are responsible for ensuring that applicable projects and services follow DBRA through the submission of certified payroll records and interviews of prime and subcontractor laborers. Supporting compliance documentation shall be uploaded to Grants Network. HCD ensures compliance through the review of DBRA documentation uploaded to Grants Network by the Subrecipients.

On September 15, 2015, HUD's Office of Community Planning and Development (CPD) issued Notice CPD-15-07⁹, that provides guidance on pre-application costs and clarifies how Cross-Cutting Federal Requirements apply to CDBG-DR activities.

Notice CPD-15-07 includes clarification on the applicability of DBRA and states: "*the Davis-Bacon wage rates will not apply when:*

- *The grantee was not a party to the construction contract; and*
- *The construction work is fully complete before the owner applies for CDBG-DR assistance.*

⁹ <https://www.hud.gov/sites/documents/15-07CPDN.PDF>

“If construction work is ongoing when an application for reimbursement or financing of construction costs is submitted, then Davis-Bacon prevailing wage rates are applicable. Under regulations of the Department of Labor (DOL) at 29 CFR 1.6(g), where federal assistance is not approved prior to contract award (or the beginning of construction if there is no Contractor award), Davis-Bacon wage rates apply retroactively to the beginning of construction and must be incorporated retroactively in the contract specifications (pg. 7).”

5.18. Fair Housing

When applicable, the Fair Housing Act requires all grantees, Subrecipients, and/or developers funded in whole or part with HUD financial assistance for housing related activities to certify that no person was excluded from participation in, denied the benefit of, or subjected to discrimination in any housing program or activity because of their age, race, color, creed, religion, familial status, national origin, sexual orientation, military status, sex, disability or marital status. HCD enforces the Fair Housing Act by ensuring that all grantees, Subrecipients, and/or developers meet the applicable Fair Housing and Affirmative Marketing requirements, provide a marketing plan, and report on compliance in accordance with the Fair Housing Act and the associated resources on HCD’s website, where applicable¹⁰. The Affirmative Marketing Plan must be in compliance with applicable Fair Housing Laws and demonstrate how the Subrecipients affirmatively furthers fair housing throughout applicable HCD disaster recovery programs.

5.19. Residential Anti-Displacement

When applicable, HCD and its Subrecipients shall make every effort to minimize displacement of families from their homes and/or neighborhood, according to the *State of California’s Residential Anti-displacement and Relocation Assistance Plan*.¹¹

5.20. Uniform Relocation Act

When applicable, HCD and its Subrecipients must comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended by the Uniform Relocation Act Amendments of 1987 (URA or Uniform Act). The URA contains requirements for carrying out real property acquisition or the displacement of a person, regardless of income status, for a project or program in which HUD financial assistance is provided. The implementing regulations, 49 CFR Part 24, include steps which must be taken with tenant occupants, including those who are not impacted by the HUD assisted activity. URA was amended by Public Law 105-117.

a. Real Property

If CDBG-DR funds are used to acquire real property, HCD ensures that the property is acquired voluntarily and continues to be used for its intended (and approved) purpose,

¹⁰ <https://www.hcd.ca.gov/community-development/building-blocks/program-requirements/equal-housing-opportunity.shtml>

¹¹ https://www.hcd.ca.gov/policy-research/plans-reports/docs/Appendix_D-Relocation_and_Anti-Displacement_Plan.docx

proper records are maintained to keep track of it, steps are taken to protect and maintain it, and that if the property is sold, HCD is reimbursed for the CDBG-DR share of the property's value.

This approach to the ownership, use, management, and disposition of property is complicated by two facts. First, the rules about property management and disposition differ slightly depending on whether a grantee is a public-sector grantee (the rules are generally more explicit for governmental grantees). Second, the rules depend on the nature of the property. Real property (e.g., land, buildings) is treated differently than personal property (e.g., equipment, supplies, intangible property like copyrights).

Reference the applicable Property Management and Disposition Regulations at 24 CFR 570.503; all Subrecipients (subs) 24 CFR 85.32; 85.34, govt. subs 24 CFR 84.32; 84.34, (Nonprofit subs), as amended by 2 CFR 200.

5.21. Financial Management

HCD ensures that its grant management as well as those administering DR-Workforce Program funds demonstrate conformity with financial management requirements shown in 2 CFR 200 and applicable Federal Register Notices. These requirements include, but are not limited to, areas covering Financial Management; Advances; Internal Controls; Accuracy of Report Information; Program Income; Salaries and Wages; Indirect Costs; Lump Sum Drawdowns; and Single Audit provisions pursuant to 2 CFR 200 Subpart F. HCD's financial management system is consistent with and in compliance with 24 CFR Parts 84, 85, and 570 (as applicable), which ensures that DR-Workforce Program funds are managed with high levels of accountability and transparency.

5.22. Insurance and Property Management

For all projects in the DR-Workforce Program, Subrecipients must procure and maintain insurance for the duration of the agreement to protect all contract assets from loss due to any cause, such as theft, fraud, and physical damage. If CDBG-DR funds are used to acquire real property or personal property, the Subrecipient is responsible for ensuring that:

- The property continues to be used for its intended (and approved) purpose for five years post expiration of Standard Agreement in accordance with the October 18, 2017 issued CPD Notice 70-09¹²,
- The Subrecipient keeps track of, and takes care of, the property, and
- If the Subrecipient sells or disposes of the property within five years after the expiration of the Standard Agreement or a longer period as HCD deems appropriate, the Subrecipient reimburses HCD for the share of the property's value according to the Standard Agreement.

¹² <https://www.hud.gov/sites/dfiles/OCHCO/documents/17-09cpdn.pdf>

5.23. Record Keeping, Retention and File Management

Record retention is a requirement of the DR-Workforce Program. Records are maintained to document compliance with program requirements and federal, state, and local regulations and to facilitate a review or monitored by HUD.

HCD adheres to State of California record retention requirements, which require all records to be maintained for a period of not less than five years after the CDBG-DR grant closeout with HUD. This requirement is in line with 24 CFR part 570.490, or as required by applicable laws and regulations under 24 CFR parts 570.487, 570.488 and 570.502(a)(7). Exemptions to the five-year period are provided in the applicable laws and regulations under 24 CFR parts 570.487, 570.488 and 570.502(a)(7). Exceptions include, but are not limited to:

- If any litigation, claim, or audit, is started before the expiration of the five-year period, records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken,
- When HCD is notified by HUD, or another federal agency, that the record retention period requirement has been extended,
- Records for real property and equipment acquired with CDBG-DR funds must be retained for three years after disposition, or
- When records are transferred or maintained by HUD, the retention requirements no longer apply to HCD.

HCD Subrecipients shall retain all records, such as financial records, supporting documents, statistical records, and all other records pertinent to the SA for a period of not less than five years after the CDBG-DR grant closeout with HUD in accordance with CDBG-DR record retention requirements. HCD notifies Subrecipients when the HUD grant has been closed. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the retention period, then all such records must be retained until completion of the actions and solution of all issues, or the retention period, whichever occurs later.

Every Subrecipient is required to establish and maintain at least three major categories of records: Administrative, Financial Management, and Project Files.

a. Administrative Records

These are files and records that apply to the overall administration of the Subrecipient's CDBG-DR activities. They include the following:

- Personnel files,
- Property management files,
- General program files: files relating to the Subrecipient's or Contractor's project information, grant agreement(s), program policies and procedures, and correspondence with grantees, and reports, and

- Legal files: articles of incorporation, bylaws of the organization, tax status, board or council minutes, Contractors, and other agreements.

b. Financial Records

These include records such as the chart of accounts, cash receipts and disbursement journal, payroll journal, general ledger, and any applicable accounting policies and procedures. Source documentation (purchase order/change, paid invoices, payroll records, timesheets, and attendance records, canceled checks, etc.), procurement files, bank account records, audit files, and/or another mechanism approved by HCD in writing for the specific grant, etc.

c. Project Files

These files document the activities undertaken with respect to specific individual beneficiaries, property owners, and/or properties.

5.24. Procurement Policy

Subrecipients must follow federal, state, and local procurement rules when purchasing services, supplies, materials, and/or equipment. Subrecipients are required to adopt procurement procedures in 2 CFR 200.318 - 326. All procurement transactions funded in whole or in part with CDBG-DR funds, regardless of dollar amount, must be conducted to provide “maximum open and free competition.” 2 CFR 200.318(i) requires that Subrecipients maintain records sufficient to detail the significant history of each procurement.

Subrecipient procurement transactions shall also follow best practices of cost reasonableness and must meet the critical tests below. The costs must be:

- Necessary: The expenditures fill a necessary gap to address an unmet need that cannot be filled by another funding source, as demonstrated by completed DOB analysis for each project/activity.
- Reasonable: This term is generally defined as what a prudent business would pay in a competitive marketplace. A cost can be allowable and allocable, and still not be what a prudent businessperson would pay.
- Allowable: The costs must be allowable under the eligibility requirements of CDGB-DR funds.
- Allocable: The costs are logically related to or required in the performance of the project contract. Many costs may be allowable but not related to the work required under the contract.

The Subrecipient is responsible for procuring Contractors and ensuring compliance with local, state, and federal regulations. For active previously procured contract that the Subrecipient would like to apply towards a DR-Workforce project, the Subrecipient must provide the procurement file to HCD for review. HCD program staff are responsible for identifying any concerns regarding conforming to the minimum procurement

requirements found at 2 CFR 200.318 – 326. Compliance with all applicable local, state, and federal regulations will be certified by Subrecipients when financial reports are submitted to HCD and reviewed by HCD during Subrecipient monitoring visits.

5.25.Audit Trail

All records defined by the organization as important are captured in HCD's three record management systems: HUD's Disaster Recovery Grant Reporting System (DRGR), the State's Financial Information System for California (FI\$Cal), and the system of record, Grants Network. Together, these three systems are used to account for DR-Workforce Program funds, with Grants Network serving as the primary system of records. Grants Network contains both Subrecipient and project level files including, but not limited to, Application and project documentation, Subrecipient expenditure tracking, applicable procurement documentation, available funding, Partner agreements and other agreements, financial management, labor compliance (Section 3 and Davis-Bacon), and citizen participation data. Grants Network ensures data security and oversight creating a clear audit trail of the DR-Workforce Program.

All Subrecipient and project data is secured in HCD's System of Record, Grants Network, in accordance with the [Grant Administration Manual](#) retention policy.

Recordkeeping, including scanning and uploading to Grants Network, and filing of pertinent DR-Workforce Program documentation retention policies are to provide both a physical and an electronic record of activities so that documentation is available for audit purposes.

To protect personally identifiable information (PII), data security measures are in place. HCD, its Subrecipients, and Contractors take the following steps to protect PII:

- Limit collection of PII,
- Maintain hard copies of PII records in locked cabinets, and
- Password-protect access to electronic files containing PII.

Filing cabinet keys and electronic passwords are shared with program staff only. HCD releases records containing PII upon request, after verification, by federal and state auditor and other federal or state agencies for Duplication of Benefits analyses.

5.26.Fraud, Waste and Abuse.

HCD has procedures in place to help detect and prevent fraud, waste, and abuse. Subrecipients will be monitored to ensure that they have adequate procedures and internal controls in place to deter fraud, waste, and abuse by the Subrecipient or any of its Partners. Instances of fraud, waste and abuse can be referred to the HUD OIG via the Fraud Hotline by phone or email: 1-800-347-3735 or hotline@hudoig.gov.

5.27. Activity Delivery Costs of a Failed Project

As previously described, Activity Delivery Costs are allowable costs incurred for implementing and carrying out specific CDBG-DR activities for the Workforce Training Program. If the project(s) are not completed, a review of the cause for project failure is performed. If the evidence demonstrates that the project was put forth and proceeded in good faith on the part of the Subrecipient, then HCD would consider a new eligible project from the Subrecipient that has the same or higher priority level, and the original ADCs must contribute to the new project. Prior to funding the new project, a new capacity assessment, project evaluation, and amended agreement with stricter grant conditions may be required.

If it is shown that the project failed due to egregious behavior or actions, such as conflicts of interest, fraud, waste, or abuse, and similar types of actions, on the part of the Subrecipient, then payments made toward the project are required to be repaid and the Subrecipient is not allowed to put forth a new project submission. If the review shows that the Subrecipient acted in a reasonable manner, then the Subrecipient is allowed to put forth a project proposal. If the project put forth by the Subrecipient does not meet the eligibility requirements, prioritization criteria for a new project, or does not sufficiently demonstrate that the initial project's ADCs have contributed to the new project, HCD offers the outstanding funding for other Eligible Applicants in order to meet the eligibility and prioritization criteria requirements of the DR-Workforce Program.

6. Operating Procedures

6.1. Award Criteria

a. Authorizing Resolution

In order to complete the application submission process, Applicants must submit an executed Authorizing Resolution on the template provided by HCD (**Appendix E-1, E-2, and E-3**). Applicants that already have a resolution template are requested to embed the HCD template language inside of the Applicant's approved template. Any deviation *HCD's Authorizing Resolution Template for Jurisdictions, Organizations, or Tribal Government* language may delay implementation of that Applicant's project(s).

The Authorizing Resolution documents each Applicant's authority to submit applications and enter into a Standard Agreement between the Applicant and HCD. No Agreement between HCD and an Applicant will be valid until the respective Applicant's Authorizing Resolution is submitted and accepted by HCD:

- For Applications with Tribal Entity Partners, an executed Authorizing Resolution (**Appendix E-1 or E-2, as applicable**) and an executed Authorizing Resolution for Tribal Governments (**Appendix E-3**) must be included with the Application.
- If allowed by local policies, HCD can accept a resolution from the governing board authorizing specific Applicant staff to enter into a Standard Agreement and submit a project application on the Applicant's behalf.
- Applicants that are Nonprofit organizations must also provide documentation of 501(c)3 status.
- Applications with Partners that are Tribal Entities must document they meet the definition of a Tribal Entity pursuant to *Section 3.4* herein.

b. Eligibility

Applications that have been submitted during the open application period are reviewed by HCD on a first come, first serve basis based on threshold criteria. Applications will be reviewed in the order that they are received:

- If an application meets all threshold criteria, the Applicant will be eligible to receive an award in the CDBG-DR amount requested up to the amount still available in regional allocation of funds.
- If eligible funding requests from the same region exceed the respective region's available grant funding, funds will be awarded in the order that eligible applications are received until all the region's allocation is obligated.

The NOFA application and all required attachments must be submitted to HCD through the Grants Network Portal located at <https://portal.ecivis.com/#/login>.

CDBG-DR funding requested amounts will be determined eligible based on the amount requested and HCD's review for Duplication of Benefits and cost reasonableness. HCD will reach out to Applicants with any questions or requests for clarifying information

regarding application eligibility. Applicants will have 10 business days to respond to HCD requests for information. Applicants that do not respond to HCD requests for information within 10 business days will have their application returned to draft and will lose their place in the submittal queue.

6.2. Award Announcements

HCD will review submitted applications and make over-the-counter first come, first serve regional award recommendations according to eligibility to the threshold criteria. Awards will be made on a rolling basis.

Applicants that are recommended for awards will be contacted via email and provided with an opportunity to update program schedules or other data that may have aged during the Applicant review period. Applicants will have 10 days to respond to requests.

Applicants that are not recommended for awards will be officially notified via letter from the Department that their application was not awarded.

6.3. Funding Commitments

Funding for Workforce Training Programs is regionally awarded based on threshold criteria eligibility on an over-the-counter first come, first serve basis from applications submitted via the applicable NOFA. Requests for funding must be submitted in accordance with the instructions in the NOFA. CDBG-DR award amounts will be determined eligible based on the amount requested and HCD's review for Duplication of Benefits and cost reasonableness.

Applicants are required to accept and manage awards through the Grants Network System. The award notification will include instructions for accepting the award and will be followed with an executable Standard Agreement.

6.4. Standard Agreement

HCD's Standard Agreement is the contractual document that details the financial and recordkeeping requirements and standards for entities allocated funds to carry out specific eligible CDBG-DR activities. Upon execution of the Standard Agreement and completion of NEPA documentation, Subrecipients may begin incurring eligible costs.

Each Standard Agreement includes the amount of funding committed to approved activities within it, the required reporting schedule and documentation required by each Subrecipient. HCD works with the Subrecipient to ensure timely and accurate reporting. HCD contacts Subrecipients on a regularly scheduled basis to obtain progress updates and to provide technical assistance as the programs progress forward through completion.

By executing HCD's Standard Agreement, the Subrecipient agrees to comply with all federal and state statutes, regulations, and rules that apply to the CDBG-DR activities, as well as the requirements listed within the contract, in exchange for receiving the

grant for the awarded activities. Some requirements must be fulfilled prior to incurring costs and/or prior to requesting funds from HCD.

HCD's Standard Agreement includes provisions based on [24 CFR 570.503](#) which includes, but is not limited to, the following components:

- Scope of work, which includes a description of the work to be performed, a schedule for completing the work, and a budget.
- Reports and recordkeeping requirements, defining the specific reports and the reporting dates, along with the particular records, and the timeline for maintaining them in order to assist HCD in meeting HUD's recordkeeping and reporting requirements.
- Program income restrictions and requirements for funds generated as result of the activities funded in the contract, including HCD approval of program income expenditures, along with reporting requirements.
- Uniform administrative requirements, as outlined in both the Federal Office of Management and Budget (OMB) and the California State Administrative Manual (SAM).
- Specific grant related requirements.
- Suspension and termination clauses, if HCD finds that a Subrecipient materially fails to comply with the terms of the contract, and that the contract may be terminated for cause.
- Reversion of assets clause, stating that upon contract expiration, the Subrecipient will transfer CDBG-DR funds on hand to HCD, along with accounts receivable attributed to the use of the CDBG-DR funds (where they do not meet the definition of Program Income).

6.5. Agreements with Contractors or Other Parties

Per 2 CFR 200.213, Subrecipient shall not enter into agreements, written or oral, with a Contractor, vendor, or other party without the prior determination that the Contractor, vendor, or other party is eligible to receive federal funds and is **not** listed on the *Federal Consolidated List of Debarred, Suspended, and Ineligible Contractors*.

- The terms "other party" is defined as public or private Nonprofit agencies or organizations and certain (limited) private for-profit entities who receive Grant Funds from a Subrecipient to undertake eligible projects.

Requirements of an agreement between a Subrecipient and a Contractor, or other party shall contain, but not be limited to the following:

- Compliance with all state and federal requirements including those that pertain to labor standards, nondiscrimination, Americans with Disabilities Act, Equal Employment Opportunity, and Drug-Free Workplace Act
- Maintenance of at least the minimum State-required Workers' Compensation Insurance
- Maintenance of unemployment insurance, disability insurance and liability insurance which is reasonable to compensate a person, firm or corporation who may be injured or damaged during the performance of program activities

6.6. Document Retrieval Process

All documentation at each step of the process of the program's life, from NOFA to grant closeout, must be submitted through the Grants Network Portal using the DR-Workforce *Naming Convention List*. This ensures that all the required documents are available for review and retrieval in one location. To submit or retrieve a document, the Subrecipient enters their project workspace through the Grants Network Portal and upload the document into the proper location.

6.7. Disbursement of Funds

Payments are made directly to Subrecipients as reimbursements based on the documented completion of agreed upon project and/or program milestones, as outlined in the Standard Agreement. Reimbursement-based means that program and project costs must be incurred by the Subrecipient and documented as required by the terms of the Standard Agreement for payment of invoices. Please see the [Grant Administration Manual Section V](#) for additional financial management procedures and requirements.

a. Documentation of Expenditures

Subrecipients are required to provide documentation to HCD to demonstrate that the committed funds have been used for eligible purposes. To receive reimbursement for eligible expenses Subrecipients must submit draw requests that include the following support documentation:

- Salaries: Timesheets demonstrating allocation of time and effort, activity reports or employee job descriptions and payroll registers.
- Benefits: Invoices or receipts from insurance providers and/or approved benefit rates reflecting the employer's contributions.
- Moveable Equipment: Invoices or receipts (must be approved equipment), procurement documentation (if applicable) and/or lease agreement (if applicable).
- Training Supplies/Materials: Invoices or receipts and procurement documentation (if applicable).
- Training: Invoices or receipts from contracted provider(s), procurement documentation for Contractor, vendor contract and training attendance logs.
- Travel: Travel Expense form detailing odometer reading or trip mileage using MapQuest or Google maps, time traveled, all points traveled, meals, lodging, tolls and parking, tips, purpose of trip and other expenses. [See the State's travel reimbursement policies.](#)

b. Timeliness of Expenditures

As indicated in their Standard Agreement, all DR-Workforce CDBG-DR awarded funds must be expended by the Standard Agreement expiration date. **All Activity Costs must be expended by the expenditure deadline of January 31, 2026.** DR-Workforce Applicants are required to submit a project schedule with their application that shows 100 percent expenditure of the CDBG-DR awarded funds by the expenditure deadline.

Program staff will verify that the plan is feasible prior to award and on an ongoing basis post-award.

HCD requires Subrecipients to submit monthly expenditure reports of the CDBG-DR funds over the life of the award to ensure expenditure accomplishments are achieved in a timely manner.

Subrecipient must expend 50 percent of the Subrecipient Allocation at least 10 months prior to the Expenditure Deadline. Proof of meeting this milestone must be provided in the Financial Report submitted no later than 70 days after the Expenditure Deadline.

6.8. Reporting Requirements

HCD and Subrecipients establish program goals and benchmarks and the Subrecipient is required to report data monthly to HCD. Subrecipients must submit the information electronically in Grants Network.

Subrecipients are required to submit reports at times as indicated in the Standard Agreement, in accordance with HCD and HUD reporting requirements, and via Grants Network. At a minimum, during the term of the Standard Agreement, the Subrecipient submits to HCD a monthly progress report which addresses the following topics:

- A description of the current status of the program's activities, including:
 - Number of persons enrolled during the reporting period
 - Number of persons withdrew from previous reporting period
 - Number of activities performed during the reporting period (may be classes, workshops, panels etc.)
 - Number of Participant Supportive Services utilized during the reporting period and number of training participants that were assisted by same
- Aggregate report of training participant demographics including:
 - Race/ethnicity,
 - Female headed households, and
 - Total income
- A description of activities to be undertaken in the next reporting period,
- A description of problems or delays encountered in program implementation and course of action taken to address them,
- Notification of formal partnerships that have been terminated and/or if new formal and informal partnerships are being considered,
- A description of actions taken to achieve program expenditure deadlines; and
- A summary of program fiscal status, including:
 - Award amount
 - Funds drawn categorized by purpose (support services vs facility vs ADCs vs. admin vs. training and others as appropriate)
 - Remaining balance

HCD has discretion to amend reportable metrics in the regular performance report with 30 days' notice to the Subrecipient.

During the term of the Standard Agreement, HCD may perform or cause to be performed an independent financial audit of any or all phases of the Subrecipient's program(s). At HCD's request, the Subrecipient provides, at its own expense, a financial audit prepared by a certified public accountant. As stated in the [State of California's CDBG-DR Grant Administration Manual](#), all non-federal entities that expend \$750,000 or more in federal awards in a fiscal year are required to have a single audit for that year in accordance with the Single Audit Act of 1984, Single Audit Act Amendments of 1996, and 2 CFR §200 Subpart F-Audit Requirements.

6.9. Monitoring and Compliance

HUD describes monitoring as an integral management control standard and requires any entity receiving HUD funding to monitor and evaluate program performance and compliance, see CDBG Regulation 24 CFR 570.501(b). HCD staff monitors all CDBG-DR programs and activities.

HCD is required to ensure that its Subrecipients comply with:

- The requirements of the DR-Workforce Program,
- FRN requirements applicable to the CDBG-DR program and any applicable waivers,
- Other federal regulatory guidance, such as Uniform Administrative Requirements, cost principles, and audit requirements outlined in 2 CFR 200,
- Specific conditions as stated in 2 CFR 200.205 and 200.207 respectively to mitigate the risk of the grant,
- The Standard Agreement with HCD, including amendments if applicable, and
- The annual monitoring assessment and strategy.

Monitoring provides information about Workforce Training Program participants, assesses quality of performance over time and is critical for making informed judgements about program effectiveness and management efficiency. It also identifies instances of fraud, waste, and abuse.

a. HCD's Monitoring of Subrecipients

HCD monitors its Subrecipients and Contractors/vendors, when applicable, based upon an assessment of risk posed by the Subrecipient or Contractor/vendor and according to specific monitoring criteria per 2 CFR 200.331.

HCD conducts a risk assessment and monitors Subrecipients for compliance with program guidelines and all applicable state and federal regulations in accordance with the procedures set forth in the [Grant Administration Manual](#). In accordance with 2 CFR 200.221, 24 CFR 570.492 and 42.U.S.C Section 5304(e)(2), the risk assessment seeks to gauge Subrecipient's capacity to implement program or project, its compliance with the Standard Agreement, performance objective and assess operational risk. The goal

of this process is to determine the highest risk areas across all CDBG-DR activities and inform HCD with the programs, Subrecipients, and/or Contractors/vendors who require the greatest administrative oversight. The results of the risk assessment informs HCD of those high risk Subrecipients, Contractors/vendors to offer technical assistance, capacity training, scheduling frequency, and monitoring activities.

The Monitoring Plan provides HCD's responsibilities and procedures for monitoring its Subrecipients, as well as the Annual Monitoring Strategy. Two types of monitoring will be employed by HCD: desk monitoring and onsite monitoring. Both desk monitoring and onsite monitoring follow the same process as follows:

- Notification letter to the Subrecipient,
- Document collection and pre-monitoring work begins for the next 30 days after issuance of the notification letter,
- Entrance Conference via teleconference for desk monitoring and in person for onsite monitoring,
- Review of documents, interview of Subrecipients, and requests for additional documents,
- Exit conference via teleconference for desk monitoring and in person for on-site monitoring. Review of findings and concerns including next step discussion, and
- Monitoring is concluded with a Monitoring Report which is issued to the Subrecipient within 30 days of the Exit conference.

HCD Program Managers and Program Monitors, or their designee, make scheduled visits to the Subrecipients to ensure Program compliance and accuracy of information sent to HCD.

b. Subrecipient Monitoring Responsibilities

Subrecipients must develop their own monitoring plan for CDBG-DR funded Workforce Training Programs. HCD monitoring plan is available for guidance to the Subrecipient to develop their own monitoring plan. Subrecipients are responsible for monitoring their program administrators, Partners, Contractors, and subcontractors to ensure compliance with terms of the Standard Agreement and applicable regulations. Subrecipient monitoring includes but is not limited to:

- Complying with the terms and conditions of the Standard Agreement with HCD, specifically anti-fraud and abuse,
- Program and/or project milestones are being met,
- Following procurement processes in accordance with 2 CFR 200 or local standards if higher,
- Ensuring scopes of work are consistent with the scope of work described in submitted Applications, and attached to *Exhibit F of the Standard Agreement*,
- Monitoring any Subrecipient for federal compliance standards,
- Monitoring construction Contractors for equal opportunity, federal and state labor standards, and Section 3 requirement,

- Performing sufficient financial controls to ensure are in compliance with 2 CFR 200 and CDBG-DR costs are eligible, allowable, reasonable and allocable, and
- Documenting National Objective compliance for all activities.

Please see the [Grant Administration Manual](#) for additional monitoring and compliance procedures and requirements.

6.10. Grant Closeout

Prior to grant closeout, HCD must determine that all applicable administrative and Program requirements of the grant are completed. In general, a grant is ready for closeout when the following conditions are met:

- All eligible activities are completed and meet a National Objective,
- All grant funds are expended, or remaining funds are scheduled to be returned to HUD,
- All reporting requirements are completed and submitted (except for the final report that is submitted during the closeout process, if applicable),
- Special conditions of the grant are met, and
- All audit and monitoring issues affecting the grant are resolved.

HCD closes out each program after completion of the program or the Standard Agreement expires, whichever comes first. Each Subrecipient receives a closeout packet to complete and return to HCD within the specified timeframe.

The [Grant Administration Manual](#) provides additional closeout procedures and requirements.

a. Individual Activity Closeout Checklist

Individual activities of the CDBG-DR grant may be closed out as a course of program completion. Completion of the Closeout Checklist is coordinated between HCD and the Subrecipients. Upon completion of an activity, DRGR must be updated with the activity status.

As individual activities of the grant are closed, HCD reviews and updates the following, as needed, in DRGR:

- The total amount of funds drawn down for the activity.
- The eligible activity.
- The National Objective.
- The activity accomplishments.
- Participant demographics for FHEO purposes.

Individual activity completion is reflected in the quarterly progress report (QPR).

b. Closeout of a Contract

Prior to grant closeout, Subrecipients must submit the following to HCD for each contract to complete closeout:

- Final Request for Funds,
- Evidence of a public hearing or governing body meeting reporting the program accomplishments and expenditures of each program/project to the residents of the serviced area, and
- If applicable, the final deliverables from the programs/projects.

HCD reviews the documentation and processes the final funds request if all documentation and the circumstances of the program warrant contract closeout. HCD disencumbers remaining funds, if applicable, and submits required information in DRGR to show the activities and programs are “completed.”

Once all Program documentation has been processed and DRGR has been updated, HCD sends a closeout letter to the Subrecipient with the official closeout date and the record retention requirements for the Program. HCD Subrecipients are required to retain CDBG-DR records for a period of not less than five years after the CDBG-DR grant closeout with HUD. HCD notifies Subrecipients when the HUD CDBG-DR grant has been closed.

Once all grant activities under the CDBG-DR Grant are completed, HCD completes the Subrecipient Closeout Certification Form (HUD Form 40175) along with the Grant Closeout Checklist (HUD Form 40183) and submits these forms to HUD.

Within 90 days of the execution date of the Closeout Certification, HCD submits to HUD a copy of the final performance and evaluation report described in 24 CFR part 91 as well as Federal Financial Report SF-425 or a financial report that meets the criteria in 24 CFR part 570.489(d). These requirements must:

- Be sufficiently specific to ensure that funds received under this subpart are used in compliance with all applicable statutory and regulatory provisions and the terms and conditions of the award.
- Ensure that funds received under this subpart are only spent for reasonable and necessary costs of operating programs under this subpart.
- Ensure that funds received under this subpart are not used for general expenses required to carry out other responsibilities of state and local governments.

HCD may satisfy this requirement by:

- Using fiscal and administrative requirements applicable to the use of its own funds.
- Adopting new fiscal and administrative requirements.
- Applying the provisions in 2 CFR part 200.

If opting to satisfy this requirement for fiscal controls and administrative procedures by applying the provisions of 2 CFR part 200, HCD must comply with all requirements

therein. Additionally, HCD must ensure that recipients of the state's CDBG-DR funds comply with 2 CFR part 200.

Concurrent with the financial report is a final QPR as well as an update of all transactional data in DRGR. If an acceptable report is not submitted, an audit of the grant activities may be conducted by HUD.

Once a review has been completed by HUD, the HUD field office prepares a closeout agreement. The grant is considered closed on the date that the appropriate HUD official executes the closeout agreement. Any unused grant funds are recaptured by HUD as a course of the closeout process.

Note that grants cannot be closed out if there are open monitoring reports associated with the contract; all monitoring findings, concerns and requirements must be received and approved by HCD, and HCD must also receive a Clearance Letter stating the monitoring has been complete.

7. Appendices

APPENDIX A: Map of the Eligible Disaster Impacted Areas

APPENDIX B: Self Certification of Annual Income Form

APPENDIX C: Income Verification Packet

APPENDIX D-1: Limited English Proficiency (LEP) Requirements

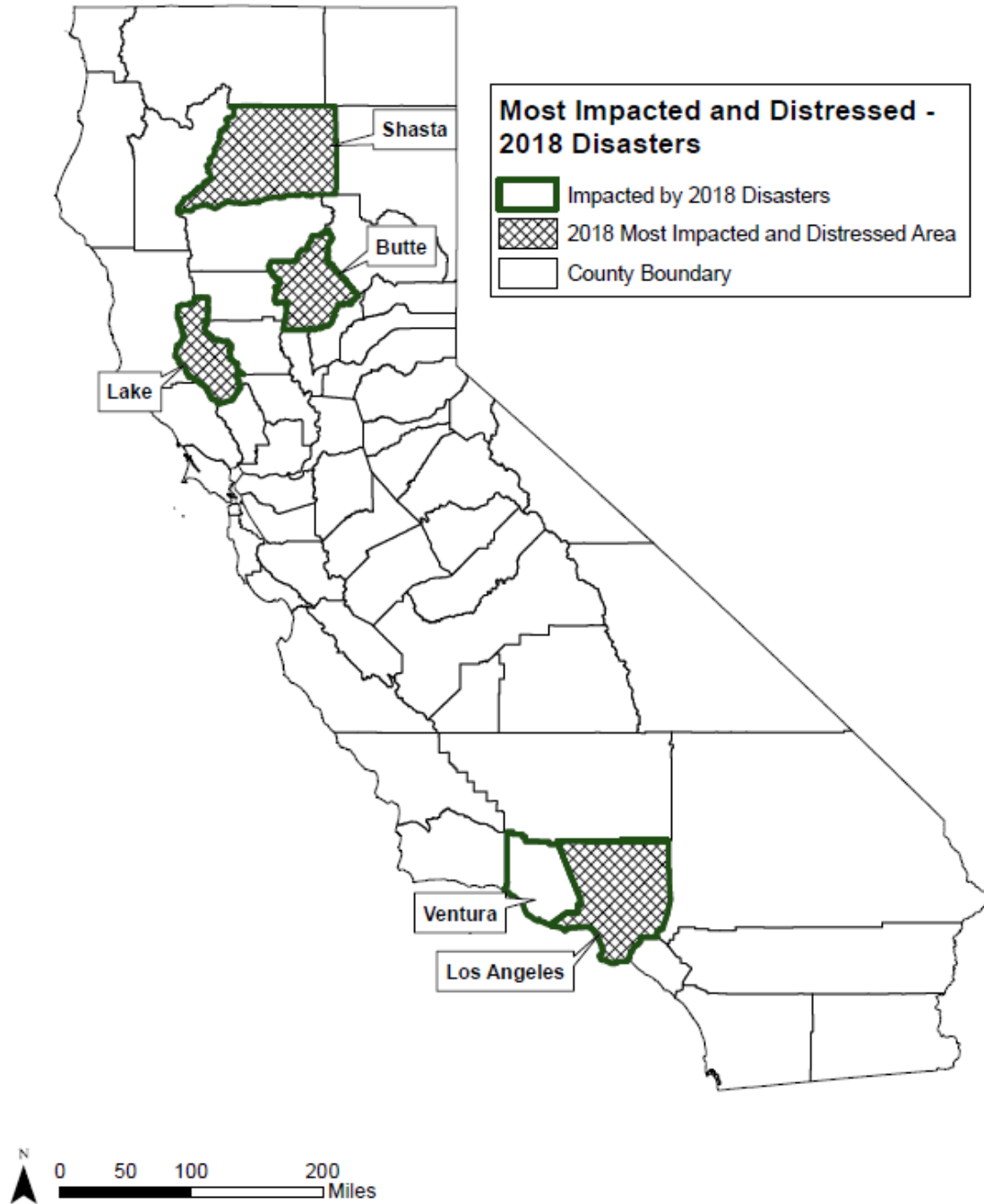
APPENDIX D-2: LAP Template for LEP

APPENDIX E-1: Authorizing Resolution Template for Jurisdictions

APPENDIX E-2: Authorizing Resolution Template for Organizations

APPENDIX E-3: Authorizing Resolution Template for Tribal Governments

APPENDIX A: Map of the Eligible Disaster Impacted Areas





Date: October 20, 2023

Re: Updated Beneficiary Self-Certification of Annual Income Form

This cover page accompanies the minor change to the Beneficiary Self-Certification of Annual Income Form revised October 20, 2023.

This updated form replaces the version currently in the Policies and Procedures Manual v3. Please discard the previous version and use the revised form dated 10/20/23 for all beneficiary income certifications moving forward.

Updated Household demographics to reflect Family demographics, pages 1-2.

“Family” means one or more persons living in your household who are related by birth, marriage, or adoption. Number of persons in your family shall reflect all family members, including those temporarily away from the home (e.g., college students, persons on extended vacation, etc.).

Family Demographic Definitions:

- *Female Head of Household is an adult member of the family who is a woman responsible for managing the household without a spouse.*
- *Senior Head of Household is an elderly family member, 62 years or older, responsible for managing the household. Note, a family could be both headed by a female and senior.*
- *Single Parent Family is a family with only one parent present in the home. The parent may be never married, widowed, divorced, married, or spouse absent.*

This updated form will be replaced in the Policies and Procedures Manual v4, to be released at a future date.



BENEFICIARY SELF CERTIFICATION OF ANNUAL INCOME

PURPOSE:

(Enter Training Program Name) is collecting the following information because of participating in the U.S. Housing and Urban Development’s (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) Workforce Development Program.

To meet federal regulations, (Enter Training Program Name) is required to collect statistical data on your family income, race/ethnicity, and family demographics. This information is reported to HUD and eventually used by the U.S. Congress to measure the effectiveness of the CDBG program. Your name and personal information will be kept private, and your income, race, and ethnicity information only shared with the federal government anonymously.

INSTRUCTIONS:

Applicants must complete the form and then sign and date the form certifying the information is correct. Your information can only be accepted if the required information is completed, signed, and dated.

1. Please complete the following family demographic information.

“Family” means one or more persons living in your household who are related by birth, marriage, or adoption. Number of persons in your family shall reflect all family members, including those temporarily away from the home (e.g., college students, persons on extended vacation, etc.).

Family Demographics	Yes	No	#
Female Head of Household:			N/A
Senior Head of Household:			N/A
Single Parent Family:			N/A
Family contains a person with disabilities:			N/A
How many in the family are elderly? (62 and over)	N/A	N/A	
How many in the family are adult full-time students? (18 and over)	N/A	N/A	
How many in the family are under the age of 18 years?	N/A	N/A	

2. Please check the box that most closely identifies your race and ethnicity.

HCD understands that the choices listed in the box below do not include all of the ways in which people self-identify, and that many people identify with more than one of the categories listed. Applicant should check the box that most closely represents their racial identity. Race category definitions are provided on the last page.

- White
- Black/African American
- Asian
- American Indian/Alaskan Native
- Native Hawaiian/Other Pacific Islander
- American Indian/Alaskan Native and White
- Black/African American and White
- Asian and White
- American Indian/Alaskan Native and African American
- Other Multi-Racial
- Prefer Not Answer

Do you consider yourself as being of Hispanic ethnicity? Yes No Prefer Not to Answer



BENEFICIARY INSTRUCTIONS FOR COMPLETING SELF CERTIFICATION OF ANNUAL INCOME FORM

1. Family Demographic Information

Family demographic information is collected to satisfy HUD reporting requirements. The answers to these questions do not impact your eligibility to participate in the program.

- **Female Head of Household** is an adult member of the family who is a woman responsible for managing the household without a spouse.
- **Senior Head of Household** is an elderly family member, 62 years or older, responsible for managing the household. Note, a family could be both headed by a female and senior.
- **Single Parent Family** is a family with only one parent present in the home. The parent may be never married, widowed, divorced, married, or spouse absent.
- **Disabled Person** includes any (1) individual with a physical or mental impairment that substantially limits one or more major life activities; (2) individual with a record of such impairment; or (3) individual who is regarded as having such an impairment.

2. Racial Identification

Racial and ethnic information is required for HUD data reporting purposes. The applicant should choose the race that they most closely identify with. The answers to these questions do not impact your eligibility to participate in the program.

Please refer to [2020 Census Frequently Asked Questions About Race and Ethnicity](#) for up to date racial and ethnicity information.

- **White:** A person having origins in any of the original peoples of Europe, the Middle East, or North Africa. *(For example: German, Irish, English, Spanish, Italian, Lebanese, Egyptian, etc.)*
- **Black/African American:** A person having origins in any of the black racial groups of Africa. *(For example: Jamaican, Haitian, Nigerian, Ethiopian, Somali, etc.)*
- **Asian:** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- **American Indian/Alaskan Native:** A person having origins in any of the original peoples of North and South America (including Central America) who maintains cultural identification through tribal affiliation or community attachment.
- **Native Hawaiian/Other Pacific Islander:** A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- **Prefer Not to Answer/ Unknown:** The category used to report students or employees whose race and ethnicity are not known.

Ethnicity

Applicants will identify yes or no if they consider themselves of Hispanic ethnicity.

- **Hispanic or Latino:** A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. *(For example: Puerto Rican, Cuban, Mexican, etc.)*



3. Residential Address Information

Address Line 1: (Optional)	City: (Required)
Address Line 2: (Optional)	County: (Required)

4. Please indicate your current family size and income in the following table.

"Family" means one or more persons living in your household who are related by birth, marriage, or adoption. Number of persons in your family shall reflect all family members, including those temporarily away from the home (e.g., college students, persons on extended vacation, etc.).

Please Circle # of Persons in your Family	FAMILY ANNUAL INCOME CATEGORY			
	Butte County			
	Please check your family income in the same row as the number of persons in your family.			
	Extremely Low-Income	Low-Income	Moderate Income	Above Moderate Income
1	\$0 - \$17,350	\$17,351 - \$28,900	\$28,901 - \$46,200	Greater than \$46,200
2	\$0 - \$19,800	\$19,801 - \$33,000	\$33,001 - \$52,800	Greater than \$52,800
3	\$0 - \$24,860	\$24,861 - \$37,150	\$37,151 - \$59,400	Greater than \$59,400
4	\$0 - \$30,000	\$30,001 - \$40,250	\$40,251 - \$65,950	Greater than \$65,950
5	\$0 - \$35,140	\$35,141 - \$44,550	\$44,551 - \$71,250	Greater than \$71,250
6	\$0 - \$40,280	\$40,281 - \$47,850	\$47,851 - \$76,550	Greater than \$76,550
7	\$0 - \$45,420	\$45,421 - \$51,150	\$51,151 - \$81,800	Greater than \$81,800
8 or more	\$0 - \$50,560	\$50,561 - \$54,450	\$54,451 - \$87,100	Greater than \$87,100

I certify that the information provided above is correct to the best of my knowledge.

Printed Name

Signature

____/____/____
Date

WARNING: The information provided on this form is subject to verification by the Subrecipient, HCD or HUD at any time. Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making a false or fraudulent statement to a department of the United States Government.



1. Family Size

Identify the row which appropriately determines the number of related persons in the household. This number includes all family members, including those temporarily away from the home (e.g., college students, persons on extended vacation, etc.)

Family Income

Identify the income that appropriately indicates the total annualized income for the family. Income should be determined by computing the total income of all adult family members for the last three (3) months and then multiplying that number by four (4), including persons temporarily away from the family/house.

Note: Income is **not** limited to salaries, wages, and tips. All other forms of income as specified by the Internal Revenue Service Form 1040 should be included (e.g., payments received from social security, pensions, annuities, dividends, taxable interest income, tax exempt interest income, IRA distributions, etc.)

2. Residential Address Information

Applicant will enter their residential address and county in which they reside to ensure the correct annual income limits were used to make an income eligibility determination.

3. Certification

Printed Name and Signature

Self-certification form must be signed by the Applicant/Workforce Trainee.

Date

Enter the date the form was completed.



BENEFICIARY SELF CERTIFICATION GUIDANCE FOR SUBRECIPIENTS

Subrecipients will need to change all **yellow highlighted areas** on the self-certification form to correspond with the applicable County and HUD Income Limits for the Workforce Training Program. The 2023 HUD income limits for the DR-Workforce eligible disaster impacted areas are included on the following page for Subrecipient's reference. Subrecipients shall determine the appropriate dollar amounts to be identified in each column by referencing the current "CDBG Income Limits" on the HCD *State and Federal Income, Rent, and Loan/Value Limits* webpage: <https://www.hcd.ca.gov/grants-and-funding/income-limits/state-and-federal-income-rent-and-loan-value-limits>

Subrecipients should have forms readily available for surrounding counties in addition in which program is taking place. Remember, a person's LMI status is based on the county in which they live.

Beneficiaries must be determined to be income eligible at the time assistance is provided. This declaration of income eligibility is called the income self-certification. Beneficiary must be recertified if assistance is not provided within 12 months of the initial income certification.

Low-income persons are people whose total annual family income falls below 80% of the area median family income based on family size. Additional expected sources of income and the amount expected during the period of federal assistance must be included in this calculation of annual family income. All income for all persons in the family must be included in calculating family income whether or not the family member receives assistance. Types of income to be included are wages, tips, self-employment income, interest/dividends, SSI or other public assistance, social security or other income received on a regular basis such as VA payments, retirement benefits, unemployment compensation, etc.

"Total Family Annual Income" is the amount of verifiable income anticipated to be received over the next 12 months. Family means all persons related by birth, marriage or adoption living in the same household. "Family" is different than "household". Two different families may live in the same household. A single person can be a "family". HUD updates annual family income limits every year. Subrecipients must also update their income limits as appropriate.

NOTE: "Income" is the total annual income of all family members as of the date that federal-funded assistance is provided.

HCD recommends that Subrecipients request source documentation for at least five percent of the training participant's income self-certification for accuracy. To sample five percent of the training participant's income claim, Subrecipients may use HCD's Income Verification Packet to collect detailed income information and supporting documentation from the training participants.



Appendix B: Self-Certification of Annual Income (Workforce)

DR-Workforce Eligible Disaster Impacted Areas 2023 Annual Income Limits

Please Circle # of Persons in your Family	FAMILY INCOME CATEGORY			
	Lake County			
	Please check your family income in the same row as the number of persons in your family.			
	Extremely Low-Income	Low-Income	Moderate Income	Above Moderate Income
1	\$0 - \$17,350	\$17,351 - \$28,900	\$28,901 - \$46,200	Greater than \$46,200
2	\$0 - \$19,800	\$19,801 - \$33,000	\$33,001 - \$52,800	Greater than \$52,800
3	\$0 - \$24,860	\$24,861 - \$37,150	\$37,151 - \$59,400	Greater than \$59,400
4	\$0 - \$30,000	\$30,001 - \$40,250	\$40,251 - \$65,950	Greater than \$65,950
5	\$0 - \$35,140	\$35,141 - \$44,550	\$44,551 - \$71,250	Greater than \$71,250
6	\$0 - \$40,280	\$40,281 - \$47,850	\$47,851 - \$76,550	Greater than \$76,550
7	\$0 - \$45,420	\$45,421 - \$51,150	\$51,151 - \$81,800	Greater than \$81,800
8 or more	\$0 - \$50,560	\$50,561 - \$54,450	\$54,451 - \$87,100	Greater than \$87,100

Please Circle # of Persons in your Family	FAMILY INCOME CATEGORY			
	Los Angeles County			
	Please check your family income in the same row as the number of persons in your family.			
	Extremely Low-Income	Low-Income	Moderate Income	Above Moderate Income
1	\$0 - \$26,500	\$26,501 - \$44,150	\$26,501 - \$70,650	Greater than \$70,650
2	\$0 - \$30,300	\$30,301 - \$50,450	\$50,451 - \$80,750	Greater than \$80,750
3	\$0 - \$34,100	\$34,101 - \$56,750	\$56,751 - \$90,850	Greater than \$90,850
4	\$0 - \$37,850	\$37,851 - \$63,050	\$63,051 - \$100,900	Greater than \$100,900
5	\$0 - \$40,900	\$40,901 - \$68,100	\$68,101 - \$109,000	Greater than \$109,000
6	\$0 - \$43,950	\$43,951 - \$73,150	\$73,150 - \$117,050	Greater than \$117,050
7	\$0 - \$46,950	\$46,951 - \$78,200	\$78,201 - \$125,150	Greater than \$125,150
8 or more	\$0 - \$50,560	\$50,561 - \$83,250	\$83,251 - \$133,200	Greater than \$133,200

Please Circle # of Persons in your Family	FAMILY INCOME CATEGORY			
	Ventura County			
	Please check your family income in the same row as the number of persons in your family.			
	Extremely Low-Income	Low-Income	Moderate Income	Above Moderate Income
1	\$0 - \$27,900	\$27,901 - \$46,500	\$46,501 - \$74,400	Greater than \$74,400
2	\$0 - \$31,900	\$31,901 - \$53,150	\$53,151 - \$85,000	Greater than \$85,000
3	\$0 - \$35,900	\$35,901 - \$59,800	\$59,801 - \$95,650	Greater than \$95,650
4	\$0 - \$39,850	\$39,851 - \$66,400	\$66,401 - \$106,250	Greater than \$106,250



Appendix B: Self-Certification of Annual Income (Workforce)

5	\$0 - \$43,050	\$43,051 - \$71,750	\$71,751 - \$114,750	Greater than \$114,750
6	\$0 - \$46,250	\$46,251 - \$77,050	\$77,051 - \$123,250	Greater than \$123,250
7	\$0 - \$49,450	\$49,451 - \$82,350	\$82,351 - \$131,750	Greater than \$131,750
8 or more	\$0 - \$52,650	\$52,651 - \$87,650	\$87,651 - \$140,250	Greater than \$140,250

Please Circle # of Persons in your Family	FAMILY INCOME CATEGORY			
	Butte County			
	Please check your family income in the same row as the number of persons in your family.			
	Extremely Low-Income	Low-Income	Moderate Income	Above Moderate Income
1	\$0 - \$17,350	\$17,351 - \$28,900	\$28,901 - \$46,200	Greater than \$46,200
2	\$0 - \$19,800	\$19,801 - \$33,000	\$33,001 - \$52,800	Greater than \$52,800
3	\$0 - \$24,860	\$24,861 - \$37,150	\$37,151 - \$59,400	Greater than \$59,400
4	\$0 - \$30,000	\$30,001 - \$40,250	\$40,251 - \$65,950	Greater than \$65,950
5	\$0 - \$35,140	\$35,141 - \$44,550	\$44,551 - \$71,250	Greater than \$71,250
6	\$0 - \$40,280	\$40,281 - \$47,850	\$47,851 - \$76,550	Greater than \$76,550
7	\$0 - \$45,420	\$45,421 - \$51,150	\$51,151 - \$81,800	Greater than \$81,800
8 or more	\$0 - \$50,560	\$50,561 - \$54,450	\$54,451 - \$87,100	Greater than \$87,100

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**2020 W. El Camino Avenue, Suite 670, 95833
P.O. Box 952054 Sacramento, CA 94252-2054**APPENDIX C:
CDBG-DR WORKFORCE DEVELOPMENT PROGRAM
INCOME VERIFICATION PACKET**

If requested, submit the following information via the forms enclosed and attach any applicable supporting forms or documentation. Failure to complete the requested information may automatically disallow any scholarships, free services or other subsidy related to the workforce training activities funded by the CDBG-DR Workforce Program. **Applicants are encouraged to request help as needed; technical assistance is available.**

A. Complete the following forms as provided for in this packet:

1. Workforce Development Participant household information (pages 3-9)
2. Authorization to Share and Release Information (page 10)

B. Attach copies of the following documentation for the applicant, or other household members, as applicable:

1. Copy of driver's license(s), or State I.D. (s) from the applicant only,
 - **Identification must be legal per State and Federal laws. If you need help obtaining proper identification, please indicate below:**
 - Assistance Requested.
 - If you are applying to the program and you are under 18 years old and do not have legal identification, you may submit a copy of your birth certificate and social security card.
2. Copy of **Signed** Tax Return from prior year for **ALL** adult household members. **If** a tax return is not available, submit an affidavit that no taxes were filed or a copy of "No Filing Status" from the IRS for the previous year.
3. Submit either 3.a, 3.b or 3.c for each adult¹ household member, as applicable:
 - a. Three (3) months of consecutive & current pay stubs for all household members 18 years and older and dated within 90 days prior to application **or**,
 - b. Signed statement from employer verifying at a minimum:
 - Date of employment
 - Current Position
 - Wages and frequency of pay
 - Employer name and title and phone number **or**,
 - c. Submit Certification of Zero Income form (see item C.2)
4. Copies of three (3) months of consecutive & current bank statements for all adult household members dated within 90 days prior to application. **Or indicate "N/A"**

¹ Do not submit income documentation for adults (18 years and older) that are enrolled in school. Indicate on Household Composition Form all household members that are in school.

5. Documentation of the following, as applicable:
- child support and alimony income
 - Most recent social security income statements
 - Copies of W2's and 1099's

C. Provide the following forms if applicable to your circumstances (circle "N/A" if not applicable):

1. Verification of Recurring Cash Contributions form, of **N/A**
2. Complete the "Certification of Zero Income" form for each adult without any income, or **N/A**
3. Complete the "Self-Employment Income Verification" form for each adult household member that is currently self- employed, or **N/A**

NOTE: Program personnel may contact 3rd parties to validate information

GENERAL INFORMATION OF PARTICIPANT

Last Name First Name MI

Current Address City State Zip

Home/Mobile Telephone _____

Email Address _____

Last 4-digits of Social Security Number

Date of Birth

DISCLOSURE OF INCOME FOR PARTICIPANT

Any items indicated by "yes", attach related documentation.

Do you receive periodic income, such as:	Yes	No
a. Retirement funds.....	___	___
b. Pension.....	___	___
c. Social Security Benefits.....	___	___
d. Supplemental Security Income (SSI).....	___	___
e. Annuities.....	___	___
f. Insurance Policies.....	___	___
g. Disability or Death Benefits.....	___	___
h. AFDC.....	___	___
i. Unemployment Benefits.....	___	___
j. Workmen’s Compensation.....	___	___
k. Child Support/Alimony.....	___	___
l. Military.....	___	___
m. Taxable Asset Income	___	___
n. Other Income.....	___	___

Are you receiving income from:		
a. Employment.....	___	___
b. Self-Employment.....	___	___

Do you have any of the following potential asset income:		
a. Checking Account.....	___	___
b. Savings Account.....	___	___
c. CD (Certificate of Deposit Account)	___	___
d. IRA or other Retirement Account (i.e., 401k, 457)	___	___

Do you regularly receive monetary gifts or non-cash contributions from persons outside your household for²:

a. Mortgage, Rent, Living Expenses.....	___	___
b. Utilities.....	___	___
c. Groceries.....	___	___
d. Clothing.....	___	___
e. Miscellaneous.....	___	___

I certify that I have answered truthfully to the best of my knowledge. I further understand that submittal of false information is punishable under Federal Law. I have no objections to inquiries being made to verify any information listed above.

Participant Signature

Date

² For items in this section indicated "yes", attach the Verification of Recurring Contributions form

DISCLOSURE OF INCOME FOR OTHER ADULT HOUSEHOLD MEMBER(S)³

Do you receive periodic income, such as:	Yes	No
a. Retirement funds.....	___	___
b. Pension.....	___	___
c. Social Security Benefits.....	___	___
d. Supplemental Security Income (SSI).....	___	___
e. Annuities.....	___	___
f. Insurance Policies.....	___	___
g. Disability or Death Benefits.....	___	___
h. AFDC.....	___	___
i. Unemployment Benefits.....	___	___
j. Workmen's Compensation.....	___	___
k. Child Support/Alimony.....	___	___
l. Military.....	___	___
m. Taxable Asset Income	___	___
n. Other Income.....	___	___

Do you receive periodic income, such as?		
a. Employment.....	___	___
b. Self-Employment.....	___	___

Do you have any of the following:		
a. Checking Account.....	___	___
b. Savings Account.....	___	___
c. CD (Certificate of Deposit Account)	___	___
d. IRA or other Retirement Account (i.e., 401k, 457)	___	___

Do you regularly receive monetary gifts or non-cash contributions from persons outside your household for:		
a. Mortgage, Rent, Living Expenses.....	___	___
b. Utilities.....	___	___
c. Groceries.....	___	___
d. Clothing.....	___	___
e. Miscellaneous.....	___	___

I certify that I have answered truthfully to the best of my knowledge. I further understand that submittal of false information is punishable under Federal Law. I have no objections to inquiries being made to verify any information listed above.

Non-participant adult household member

Date

³ *Complete additional forms for each adult member, as applicable

HOUSEHOLD⁴ COMPOSITION CERTIFICATION⁵

As of _____ (date of application), I, _____
resided at: (property address) _____

Circle the correct response:

- 1) At the time of time of the application I was living alone, **or** I expect to be living alone within the next 12 months.
- 2) The following people live with me and will continue to do so for the foreseeable future:

Name	Last 4 digits of SSN#	Date of Birth	Enrolled in School?

Do you expect your household composition to change in the next 12 months? _____
If yes, explain: _____

CONFLICT OF INTEREST CERTIFICATION

Do you, or anyone in your household, have family or business ties to anyone who assisted in the development or operations of the workforce development program?

Circle one: Yes No

If yes, describe the relationship and role:

⁴ "Household" is defined as all persons occupying a housing unit. The occupants may be a family, as defined in 24 CFR 5.403; two or more families living together; or any other group of related or unrelated persons who share living arrangements, regardless of actual or perceived, sexual orientation, gender identity, or marital status. (24 CFR 570.3). Note: An applicant may be considered a smaller "household" than their current actual "household" number if the living situation is temporary or transitional, i.e., aging out of foster care, temporarily homeless and formerly incarcerated are examples of individuals that may be temporarily part of a larger household than what would be considered in a "household calculation".

⁵ Complete one form for each applicant household

CERTIFICATION OF HOUSEHOLD INFORMATION AND INCOME

(To be completed by participant and other adults of household, if applicable)

I (We), _____ (and) _____ do hereby certify that my (our) household consists of _____ members. I (We) certify that my (our) yearly income is _____ . I (We) also certify that all the information that I (we) have given is correct to the best of my (our) knowledge.

Participant Signature

Date

Other Adult Household Signature

Date

DISASTER RECOVERY BENEFITS COMPLIANCE

The workforce development program for which you are applying is funded in whole or part by Community Development Block Grant – Disaster Recovery funds related to the 2018 wildfire disasters in California. The following information is required to be collected for the program administrators to evaluate a potential Duplication of Benefits.

- 1) Are you currently receiving, or have you received in the last 3 years, any assistance for the purpose of workforce development training courses(s) you are currently applying for? (i.e., Pell Grants, Educational funds)
No___ or Yes ___

If yes, If yes, please provide the name of the program, last date of receipt of funds, and amount:

- 2) Have you entered into or completed the same or similar course(s) – that you are applying for – within the last 3 years? (If the response is yes, additional conversations with HCD Program staff may be required.)
No___ or Yes ___

I/We certify that I/We have been asked the above questions and they have been answered truthfully to the best of my/our knowledge. I/We further understand that submittal of false information is punishable under Federal Law. I/We have no objections to inquiries being made to verify any information listed above.

Participant

Other adult household member

For reviewer’s comments only with respect to Duplication of Benefits and other compliance items indicated above:

DEMOGRAPHIC INFORMATION – Workforce Development (CDBG-DR 2018)

(for evaluation of equitable distribution of funds)⁶

Race and Ethnicity

Ethnicity: (select only one)

- Hispanic or Latino
- Not Hispanic or Latino

Race: (select one or more)

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

Marital Status

- Single
- Married
- Widowed
- Divorced
- Separated
- Other

Gender

- Male
- Female

⁶ The race/ethnicity/gender information is requested by the Federal Government for certain federally supported programs to monitor compliance with equal opportunity laws. You are not required to furnish this information (race/ethnicity/gender) but are encouraged to do so. The law provides that a provider may not discriminate either based on this information, or on whether you choose to furnish it.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE

2020 W. El Camino Avenue, Suite 670, 95833
P.O. Box 952054 Sacramento, CA 94252-2054



Authorization to Share and Release Information

Purpose: Consent to allow California Department of Housing and Community Development (HCD) and/or a Workforce Development Program to request information from 3rd parties to verify an applicant's eligibility. Moreover, a signed form grants permission for HCD to release applicants' demographic information to HUD in aggregate form.

I, _____, authorize the following agencies collaborating in the CDBG-DR 18 Workforce Development Program to collect information relevant to my eligibility to participate in the Program.

Department of Housing and Community Development	Name of Subrecipient
2020 W. El Camino Avenue, Suite 670, Sacramento, CA 95833	Subrecipient Address
(916) 263-7400	Subrecipient Phone

The information that may be released includes, but is not limited to:

1. Information about my current employment status, wages and projected income
2. Information about recurring contributions
3. Information about my current household composition (who lives with me)
4. Information about my participation in other workforce development programs

I also permit representatives from the agencies/organization listed above, who are working with me or on my behalf, to discuss these matters specifically related to my participation in the Workforce Development Program.

I further permit these agencies to share my demographic data⁷ (race, ethnicity, and gender) to HUD for the purposes of evaluating the Workforce Development Program and improving services.

My signature below indicates I have read this form and/or have had it read to me. I can revoke this consent in writing at any time.

Participant's name (printed) _____

Participant's signature _____ Date _____

⁷ The race/ethnicity/gender information is requested by the Federal Government for certain federally supported programs to monitor compliance with equal opportunity laws. You are not required to furnish this information (race/ethnicity/gender) but are encouraged to do so. The law provides that a provider may not discriminate either based on this information, or on whether you choose to furnish it.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 670, 95833
P.O. Box 952054 Sacramento, CA 94252-2054



Verification of Recurring Cash Contributions

<p>(Insert name of Workforce Development Participating Jurisdiction)</p> <p>AUTHORIZATION: Federal Regulations require us to verify Recurring Cash Contributions made to all members of the household applying for participation in the Workforce Development Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p>	<p>Purpose of Cash Contribution:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Amounts anticipated to be received during the next 12 months:</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p>
<p>_____</p> <p>(Signature)</p> <p>Date: _____</p>	

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 670, 95833
P.O. Box 952054 Sacramento, CA 94252-2054



Certification of Zero Income

(To be completed by each adult household member, as applicable)

Name: _____

Address: _____

1) I hereby certify that I do not individually receive income from any of the following sources:

- a. Wages from employment (including commissions, tips, bonuses, fees, etc.).
- b. Income from operation of a business.
- c. Rental income from real or personal property.
- d. Interest or dividends from assets.
- e. Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits.
- f. Unemployment or disability payments.
- g. Public assistance payments.
- h. Periodic allowances such as alimony, child support, or gifts received from persons not living in my household.
- i. Sales from self-employed resources (Avon, Mary Kay, Pampered Chef, etc.).
- j. Any other source not named above.

2) I currently have no income of any kind and there is no imminent change expected in my financial status or employment during the next 12 months.

3) I will be using the following sources of funds to pay for housing and other necessities:

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information may result in the termination of participation in the program.

Signature

Print

Date

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 670, 95833
P.O. Box 952054 Sacramento, CA 94252-2054



Self-Employment Income Verification Form

Full Name: _____

Present Address: _____

I hereby certify that I, _____ (Name) receive income for the following work:

I expect to earn \$ _____ for the coming 12 months (from _____ to _____) for the following work: _____

I understand that if my actual earnings are different from those reported above, that I may be required to report any changes to the Workforce Development Program.

Signature of Participant

Date

Signature of Notary Public

Date

Name of Notary Public: _____

Date Commission Expires: _____

APPENDIX D-1: LIMITED ENGLISH PROFICIENCY REQUIREMENTS

Both Title VI of the Civil Rights Act of 1964 and Executive Order 31166 require that persons with limited English proficiency (LEP) have access to programs and operations assisted through federal funding, including public participation and outreach efforts. For the purposes of CDBG-DR, the Department has completed the preliminary public participation and outreach efforts for the DR-Workforce Program in general.

The below is to provide additional information about LEP requirements. Applicants must show that they are addressing LEP needs for their individual workforce development training programs prior to entering a Standard Agreement with the Department.

[Final Notice on LEP and Frequently Asked Questions from HUD's FHEO Headquarters](#)

The Fair Housing and Employment Office (FHEO) have already been making Title VI findings of non-compliance for many years if:

- A. Program shows under-representation of protected class/es likely to include LEP persons.
- B. Recipient cannot show effective outreach and marketing to LEP persons; and/or,
- C. Recipient cannot demonstrate policies to accommodate LEP persons.

Programs to which LEP Guidelines Apply

The LEP guidelines apply to any program to which federal financial assistance to HUD is applied, including:

- A. Public and Indian Housing (PIH): Low-Income Public Housing, voucher, project-based, homeownership, moving to work, etc.
- B. CPD: CDBG, HOME, ESG, McKinney, etc.
- C. Housing: project-based Section 8, mod, rehab, etc.

What LEP Requires of Recipients

The LEP Guidelines require recipients to:

- A. Determine if there are LEP persons in the service area(s), utilizing the Four-Factor Analysis below.
- B. Devise a plan for oral interpretation & written translations based upon four-factor analysis in:
 - a. Outreach
 - b. Conduct of day-to-day activities
- C. Take necessary and reasonable steps to make sure LEP persons have access to information and resources by creating a Language Access Plan (LAP).

Four-Factor Analysis of Needs

Factor 1: Identify the number / proportion of LEP persons in the service area:

- A. The more LEP persons, the greater the need.
- B. NOT who speaks other languages, but who speaks English less than well or not at all.
- C. Data Source: US Census / American Factfinder2 Table QT-P17 or SF 3/DP2 or B16001.

Factor 2: Analyze frequency of contact

- A. The more frequent the contact, the greater the apparent need.
- B. Anticipate that increased outreach may result in increased frequency of contact and higher overall participation by LEP persons.

Factor 3: Analyze importance of contact

- A. The more important the contact, the greater the need.
- B. Compulsory participation = high importance.
- C. Identification of vital documents (documents that if not translated could result in denial of benefits / exclusion from program even if unintended).

Factor 4: Weighing of cost vs. resources vs. benefits

- A. Consider sharing resources with other recipients.
- B. Consider industry best practices.
- C. Consider that HUD documents are already translated.

Oral Interpretation

- A. Oral interpretation is always a requirement.
- B. Recipient must have a plan for communicating with applicant/participant if he/she is unable to communicate effectively in English.
- C. Language cards to allow identification of language spoken.
- D. Resources such as language line, use of staff.
- E. Never: "If you need a translator, bring your own."

Written Translations

- A. Guidelines establish "safe harbor of presumptive compliance" if a four-factor analysis of needs establishes:
 - a. Less than 1,000 persons LEP in one language within service area – translation required.
 - b. Less than five percent of population LEP in one language (at least 50) = translation required.
 - c. Disclaimer on translated documents: "provided for information only."

Language Assistance Plan (LAP)

- A. Identifies groups who need language assistance.
- B. States how agency will provide language services (translation plan).
- C. Train staff on plan.
- D. Public notice of plan.
- E. Self-assessment & monitoring of plan's effectiveness.

Appendix D-2: Language Access Plan Template

Language Access Plan: As a result of the Four-Factor Analysis, **Enter Entity Name Here** has identified the following types of language assistance to be provided on an as needed basis by **Enter Entity Name Here** throughout the implementation of the CDBG-DR program:

Mark the paragraphs below that best describe your planned activities. Additional information can be provided to clarify more accurately the entity's planned activities:

- All CDBG DR program-related documents, public notices, and public outreach to attract training participants will be published in **Enter Identified LEP Language Here** on bulletin boards at the **Enter Place(s) of Posting Here and** in public places throughout the proposed project area(s) and/or the community. **Additional Information Here.**
- Additionally, all notices and advertisements will include a statement in **Enter Identified LEP Language Here** indicating that program materials are available in **Enter Identified LEP Language Here** upon request. **Additional Information Here.**
- All notices about participation will include a statement that interpreters will be available at public presentations upon prior request. **Additional Information Here.**
- If needed, an interpreter may be retained to provide oral interpretation in the field during the implementation of the program activities **Additional Information Here.**
- If other populations of LEP persons are identified in the future, **Enter Entity Name Here** will consider additional measures to serve the language access needs of those persons.

Click or tap here to enter text.

Printed Name of Authorized Signatory

Click or tap here to enter text.

Title

Click or tap here to enter text.

Signature

Click or tap to enter a date.

Date Adopted



APPENDIX E-1

Resolution of the Governing Body

Applicants are required to use this Resolution in content and form.

RESOLUTION NO. __

A RESOLUTION APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 20XX-20XX FUNDING YEAR OF THE STATE CDBG-DR RECOVERY WORKFORCE PROGRAM

BE IT RESOLVED by the [Enter Governing Body Type] of the [Choose Type] of [ENTER JURISDICTION NAME] _____ as follows:

SECTION 1:

The [Enter Governing Body Type] has reviewed and hereby approves the submission to the State of California of one or more application(s) in the aggregate amount, not to exceed, of \$ _____ for the following CDBG-DR activities, pursuant to the March 2023 CDBG-DR NOFA:

List activities and amounts (*activity totals should include Activity Delivery dollars and General Administration associated with the activity*)

Activity (i.e. Public Services, Housing Rehabilitation)	Dollar Amount Being Requested for the Activity
	\$
	\$
	\$
	\$

SECTION 2:

The [Choose Type] acknowledges compliance with all state and federal public participation requirements in the development of its application(s).

SECTION 3:

The [Choose Type] hereby authorizes and directs the (*ENTER TITLE OF DESIGNATED OFFICIAL*) _____, or designee*, to execute and deliver all



APPENDIX E-1

applications and act on the Choose Type's behalf in all matters pertaining to all such applications.

SECTION 4:

If an application is approved, the [ENTER TITLE OF DESIGNATED OFFICIAL], or designee*, is authorized to enter into, execute and deliver the grant agreement (*i.e.*, Standard Agreement) and any and all subsequent amendments thereto with the State of California for the purposes of the grant.

SECTION 5:

If an application is approved, the [ENTER TITLE OF DESIGNATED OFFICIAL], or designee, is authorized to sign and submit Funds Requests and all required reporting forms and other documentation as may be required by the State of California from time to time in connection with the grant.

** **Important Note:** If the designee is signing any application, agreement, or any other document on behalf of the designated official of the City/County, written proof of designee authority to sign on behalf of such designated official must be included with the Resolution, otherwise the Resolution will be deemed deficient and rejected. Additionally, do not add limitations or conditions on the ability of the signatory or signatories to sign documents, or the Resolution may not be accepted. If more than one party's approval is required, list them as a signatory. The only exception is for county counsel or city attorney to approve as to form or legality or both, IF such approval is already part of the standard city/county signature block as evidenced by the signed Resolution itself. Inclusions of additional limitations or conditions on the authority of the signer will result in the Resolution being rejected and will require your entity to issue a corrected Resolution prior to the Department issuing a Standard Agreement.*



APPENDIX E-1

PASSED AND ADOPTED at a regular meeting of the of the of _____ held on [ENTER DATE] _____ by the following vote:

Instruction: Fill in all four vote-count fields below. If none, indicate "0" for that field.

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Signature and Title

[ENTER GOVERNING BODY TYPE]

STATE OF CALIFORNIA

City/County of _____

I, _____, City/County Clerk of the City/County of _____, State of California, do hereby attest and certify the foregoing Resolution to be a full, true and correct copy of a resolution duly passed and adopted on the date stated thereon and that said Resolution has not been amended, modified, repealed, or rescinded since the date of adoption and is in full force and effect as of this ___ day of _____, 20____.

Name, City/County Clerk of the City/County of _____, State of California

By: _____
Signature and Title

Note: The attesting officer cannot be the person identified in the Resolution as the authorized signer.



APPENDIX E-2

Resolution of the Organizational Body Entity

Applicants are required to use this Resolution in content and form.

RESOLUTION NO. __

A RESOLUTION APPROVING AN APPLICATION FOR FUNDING AND THE EXECUTION OF A GRANT AGREEMENT AND ANY AMENDMENTS THERETO FROM THE 20XX-20XX FUNDING YEAR OF THE STATE CDBG-DR RECOVERY WORKFORCE PROGRAM

BE IT RESOLVED by the of [Click or tap here to enter text.](#) as follows:

SECTION 1:

The has reviewed and hereby approves the submission to the State of California of one or more application(s) in the aggregate amount, not to exceed, of \$[Click or tap here to enter text.](#) for the following CDBG-DR activities, pursuant to the March 2023 CDBG-DR NOFA:

List activities and amounts (*activity totals should include Activity Delivery dollars and General Administration associated with the activity*)

Activity (i.e. Public Services, Housing Rehabilitation)	Dollar Amount Being Requested for the Activity
	\$
	\$
	\$
	\$

SECTION 2:

The [Click or tap here to enter text.](#) acknowledges compliance with all state and federal public participation requirements in the development of its application(s).



APPENDIX E-2

SECTION 3:

The hereby authorizes and directs the [Click or tap here to enter text.](#), or designee*, to execute and deliver all applications and act on the [Click or tap here to enter text.](#)'s behalf in all matters pertaining to all such applications.

SECTION 4:

If an application is approved, the [Click or tap here to enter text.](#), or designee*, is authorized to enter into, execute and deliver the grant agreement (*i.e.*, Standard Agreement) and any and all subsequent amendments thereto with the State of California for the purposes of the grant.

SECTION 5:

If an application is approved, the [Click or tap here to enter text.](#) or designee, is authorized to sign and submit Funds Requests and all required reporting forms and other documentation as may be required by the State of California from time to time in connection with the grant.

** Important Note: If the designee is signing any application, agreement, or any other document on behalf of the designated official of the City/County, written proof of designee authority to sign on behalf of such designated official must be included with the Resolution, otherwise the Resolution will be deemed deficient and rejected. Additionally, do not add limitations or conditions on the ability of the signatory or signatories to sign documents, or the Resolution may not be accepted. If more than one party's approval is required, list them as a signatory. The only exception is for county counsel or city attorney to approve as to form or legality or both, IF such approval is already part of the standard city/county signature block as evidenced by the signed Resolution itself. Inclusions of additional limitations or conditions on the authority of the signer will result in the Resolution being rejected and will require your entity to issue a corrected Resolution prior to the Department issuing a Standard Agreement.*



APPENDIX E-2

PASSED AND ADOPTED at a regular meeting of the of held on by the following vote:

Instruction: Fill in all four vote-count fields below. If none, indicate "0" for that field.

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

Signature and Title

CERTIFICATION OF SECRETARY

I, _____, Secretary of do hereby attest and certify the foregoing Resolution is a full, true and correct copy of a Resolution duly passed and adopted on the date stated thereon and that said Resolution has not been amended, modified, repealed, or rescinded since its date of adoption and is in full force and effect as of this .

[SECRETARY'S SIGNATURE]

[TYPE OR PRINT SECRETARY'S NAME]

Note: The attesting officer cannot be the person identified in the Resolution as the authorized signer.

APPENDIX E-3

Resolution of a Tribal Entity

Instructions: Please review this sample resolution provided and insert the appropriate information requested within each bracket. Certain brackets may prompt a choice selection; language that is not applicable may be deleted. Please be advised that this document is a sample form; Tribal/TDHE applicants may edit accordingly to comply with Tribal law. This top header with instructions and additional notes may be deleted prior to submission.

Additional Notes: All information provided will be verified using the entity's bylaws, or appropriate governing documents. If the governing documents of the organization are not reflective of the current board makeup, the Applicant/Requestor must notify HCD in writing of the discrepancy and provide an explanation. Please note that while the NOFA for Tribal and other 2018 disaster impacted communities are the same, this resolution is applicable to Tribal Entities.

The Authorizing Resolution shall be submitted with the Application. The Department will not review any NOFA Application until the Department receives a fully executed Authorizing Resolution unless otherwise noted.

[Resolution Number]
[Insert Name of Tribal Entity]

AUTHORIZING RESOLUTION

Authorizing Resolution in Connection with the Award of Funding Under the 2018 Community Development Block Grant -Disaster Recovery (CDBG-DR) Workforce Development Program.

[All, or A necessary quorum and majority] of the [directors, supervisors, members, council members, or tribal council in accordance with tribal law, etc.] of [official name of applicant entity, and type of entity: Tribal Entity] (“Applicant”) hereby consents to, adopts and ratifies the following resolution:

WHEREAS The **[insert name of Tribal Entity]** is a [federally-recognized Indian Tribe located in California] [an Indian tribe located in California that is on the contact list maintained by the Native American Heritage Commission] [a Tribally Designated Housing Entity (TDHE)] [an Indian Tribe as defined in Section 4103(13)(B) of Title 25 of the United States Code and Section 50104.6.5]; and

WHEREAS The **[insert name of Tribal Entity]** is eligible for all rights, privileges, and benefits afforded to the eligible entities listed in the paragraph above, and the [Tribal Council of **[insert name of Tribal Entity]** is a duly authorized body, empowered to conduct government affairs on behalf of the people and to promote and foster the economic development and the well-being of the general membership] [the representative governing body of the TDHE is authorized under Tribal law to conduct government-to-government relations regarding Tribal housing matters on behalf of the Tribe], and

WHEREAS The representative governing body of the **[Tribal Entity]** [is responsible for the health and well-being of the Tribal Membership] [is responsible for providing affordable housing to the Tribal Membership], and

WHEREAS The representative governing body of the **[Tribal Entity]** has determined there is an immediate need for providing Tribally owned and/or operated affordable housing to its Tribal Membership, and

WHEREAS The California Department of Housing and Community Development (the “Department”) is authorized to allocate approximately \$40,695,960 of 2018 CDBG-DR funds to be made available for the purposes set forth in the Workforce Development Policies and Procedures; and in the Department issued a 2018 Workforce Development Program Notice of Funding Availability (NOFA), to be issued Spring 2023, announcing the availability of funds available to the 2018 disaster impacted areas and Tribes, per federal disaster declarations DR-4407 and DR-4382.

WHEREAS The **[Tribal Entity]** is an Eligible Partner under the 2018 Workforce Development Program pursuant to the 2018 Workforce Development Policies and Procedures, and the 2018 Workforce Development NOFA, and is requesting a grant award in an amount not to exceed **[insert amount]** under the above-described NOFA from the Department of Housing and Community Development Department (Department), and

WHEREAS The **[Tribal Entity]** as an Eligible Partner under the 2018 Workforce Development Program, and if the Request for Funds is approved by the Department such approval is subject to the 2018 Workforce Development terms and conditions of Eligibility, Policies and Procedures, NOFAs, Program requirements, and the 2018 Workforce Development Program Standard Agreement (“Standard Agreement”) by and between the Department and 2018 Workforce Development Program Grant Recipients;

NOW THEREFORE BE IT RESOLVED THAT: The representative governing body of the **[Tribal Entity]** hereby authorizes and directs such actions as are necessary and appropriate by representatives of the **[Tribal Entity]** to receive on behalf of the **[Tribal Entity]** an amount not to exceed **[\$[]]** as calculated consistent with requirements of the NOFA.

BE IT FURTHER RESOLVED THAT: The **[Tribal Entity]** shall be subjected to the terms and conditions as specified in the Standard Agreement; that funds are to be used for eligible activities to be identified in Exhibit A of the Standard Agreement; the application in full will be incorporated as part of the Standard Agreement; that any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement; and that the Tribal Entity hereby agrees to use the funds for eligible activities in the manner presented in the application as approved by the Department and in accordance with the NOFA, Program Policies and Procedures, and application package.

BE IT FINALLY RESOLVED THAT: The **[Tribal Council Chairperson]**, on behalf of the **[(insert name of Tribe)]** [government official, on behalf of the **(insert name of Tribal Entity or TDHE)**] is authorized and directed, subject to such further government approvals as may be required by Tribal Law after legal review, to do all of the following: 1) execute the Request for Funds and any amendments thereto, 2) execute the State of California Standard Agreements, and any and all other documents required or deemed necessary or appropriate to evidence and secure the 2018 Workforce Development Program, allocation, and 3) fulfill all obligations required by or related to, the 2018 Workforce Development Program and all amendments the Department deems necessary in accordance with the 2018 Workforce Development Program, on behalf of the **[insert name of Tribal Entity]**.

BE IT FURTHER AND FINALLY RESOLVED THAT: The **[insert name of Tribal Entity]**, when approved by the Department to receive allocation of 2018 Workforce Development Program funds in the authorized amount of **[\$[]]** pursuant to the above referenced Request for Funds, the **[Tribal Entity]** represents and certifies that it will use all such funds only for eligible activities as set forth in the

NOFA, as approved by the Department and in accordance with all 2018 Workforce Development Program requirements, policies and procedures, all applicable state and federal statutes, rules, regulations, and the Standard Agreement executed by and between the Applicant **[insert name of Tribal Entity]** and the Department.

CERTIFICATION

This is to certify that the foregoing Resolution No. **[Insert Resolution Number]** was duly adopted in accordance with Tribal law at a duly called meeting of the **[Tribal Council] [Tribal Entity]** on this **[XX]**th day of **[Month]**, 2023 by a vote of **[##]** for, **[##]** against, and **[##]** abstaining.

(Insert Name), Tribal Chairperson

ATTEST:

(Insert Name), Tribal Secretary