



State of California  
Department of Housing and  
Community Development

**2018 Community Development Block Grant – Mitigation  
Resilient Infrastructure Program**

**Policies and Procedures Manual**

Version 1.0  
February 2023

## 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 results in the issuance of a new version. For example, the change to a rolling application process is a substantial change to the procedures provided in Version 1.0. Future policy changes will result in additional revisions and the issuance of a new primary number version.

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, are 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.

### Version History

Version Number	Date Revised	Description of Revisions
v1.0	February 2023	<b>Initial Draft:</b> Policies and Procedures are <u>subject to change</u> at the sole discretion of HCD.

# Table of Contents

- 1. General ..... 6
  - 1.1 Purpose and Scope ..... 6
  - 1.2 Terms and Definitions ..... 8
- 2. Program Activities and Requirements ..... 16
  - 2.1 Infrastructure Program Activities ..... 16
    - 2.1.1 FEMA HMGP Match ..... 16
    - 2.1.2 Other Non-Federal Match ..... 16
    - 2.1.3 Stand-Alone Infrastructure ..... 16
  - 2.2 Infrastructure Program Requirements (Program Requirements) ..... 17
    - 2.2.1 Meeting a National Objective ..... 17
    - 2.2.2 Overall Benefit Requirement ..... 17
    - 2.2.3 Benefit to LMI Persons ..... 17
    - 2.2.4 Urgent Need Mitigation ..... 20
    - 2.2.5 Eligible Applicants ..... 21
    - 2.2.6 HUD Definition of Mitigation ..... 23
    - 2.2.7 Alignment with Local and Regional Plans ..... 24
    - 2.2.8 2018 MIT-RIP Program Thresholds ..... 24
  - 2.3 Funding Provision ..... 26
    - 2.3.1 Per Project Award Funding Cap ..... 26
    - 2.3.2 Eligible and Ineligible Costs ..... 26
    - 2.3.3 Duplication of Benefits ..... 29
    - 2.3.4 Recapture of Funds ..... 29
  - 2.4 CDBG-MIT and Cross-Cutting Federal Requirements ..... 30
    - 2.4.1 Americans with Disabilities Act ..... 30
    - 2.4.2 Copeland Act’s Anti-Kickback Provision ..... 30
    - 2.4.3 Contract Work Hours and Safety Standards Act ..... 31
    - 2.4.4 Force Account Labor ..... 31
    - 2.4.5 Equal Employment Opportunity Act ..... 31
    - 2.4.6 Minority- and/or Women-Owned Business Enterprises ..... 31
    - 2.4.7 Fair Labor Standards Act of 1983, As Amended ..... 33
    - 2.4.8 Davis-Bacon Labor Standards ..... 33
    - 2.4.9 Limited English Proficiency ..... 35
    - 2.4.10 Section 3 of the HUD Act of 1968 ..... 35
    - 2.4.11 Fair Housing ..... 38
    - 2.4.12 Residential Anti-Displacement ..... 38
    - 2.4.13 Uniform Relocation Act and Real Property Acquisition ..... 38
    - 2.4.14 Financial Management ..... 39

2.4.15 Insurance and Property Management .....	40
2.4.16 Recordkeeping, Retention, and File Management .....	40
2.4.17 Procurement Policy .....	41
2.4.18 Audit Trail .....	42
2.4.19 Conflicts of Interest and Confidentiality .....	43
2.4.20 Environmental Review .....	43
3. Implementation Policies .....	46
3.1 Project Selection .....	46
3.1.1 Project Application Process .....	46
3.1.2 Application Requirements .....	46
3.1.3 Application Review .....	49
3.1.4 Authorizing Resolution & Standard Agreement .....	50
3.1.5 Site Control Requirements by a Jurisdiction or Tribal Entity for Infrastructure Projects .....	51
3.2 Subrecipient Due Diligence .....	52
3.3 Technical Assistance to Subrecipients .....	52
3.4 Activity Delivery Costs .....	53
3.4.1 Authorization to Incur Costs Before an Executed Standard Agreement .....	53
3.4.2 Subrecipient ADCs with Incomplete Projects .....	53
4. Program Operations .....	55
4.1 Agreements with Contractors or Other Parties .....	55
4.2 Document Retrieval Process .....	55
4.3 Disbursement of Funds .....	56
4.4 Reporting Requirements .....	56
4.5 Monitoring and Compliance .....	57
4.5.1 HCD's Monitoring of Subrecipients .....	57
4.5.2 Subrecipient Monitoring Responsibilities .....	59
4.6 Record Keeping .....	60
4.7 Grant Closeout .....	61
4.7.1 Closeout of a Standard Agreement .....	62
4.7.2 HCD Closeout of HUD Grant .....	62
5. Appendix A: Map of MID and Disaster Impacted Areas .....	65
6. Appendix B: 2018 MIT-RIP Program Threshold Compliance Documentation .....	66
7. Appendix C: Low Resource Community Census Tracts & Maps .....	73
7.1 Butte County .....	73
7.2 Lake County .....	77
7.3 Los Angeles County .....	79
7.4 Shasta County .....	99
7.5 Data Sources .....	102

8.	Appendix D: Tribal Lands Tracts and Maps.....	104
8.1	Butte County .....	104
8.2	Lake County.....	105
8.3	Shasta County .....	106

**Community Development Block Grant - Mitigation  
2018 Resilient Infrastructure Program  
Policies and Procedures Manual**

## **1. General**

### **1.1 Purpose and Scope**

This document addresses policies and procedures specific to the Community Development Block Grant – Mitigation (CDBG-MIT) Resilient Infrastructure Program (RIP).<sup>1</sup> Subrecipients should review all applicable federal regulations, disaster-specific Federal Register Notices, the state’s [CDBG-MIT Action Plan](#), and the [Grants Administration Manual](#) (along with its [Mitigation Addendum](#)) for detailed discussions of CDBG-MIT procedures and requirements, including rules for specific Projects, eligibility, program deadlines, protocols for demonstrating capacity, and specific eligible and ineligible costs.

In response to the California wildfires of 2018, resulting in the Carr, Mendocino Complex, Camp, and Woolsey Fires, on January 6, 2021, the U.S. Department of Housing and Urban Development (HUD) released [Federal Register Notice 86 FR 561](#) that allocated an additional \$64,907,000 of CDBG-MIT funds to the State of California Department of Housing and Community Development (HCD), under Public Law 116-20, for the State of California as part of a supplemental appropriation. HCD has dedicated approximately \$40 million of those funds to create the Resilient Infrastructure Program (MIT-RIP). The purpose of the program is to assist local Jurisdictions and Tribal Entities with Mitigation-related infrastructure needs to support risk reduction from the three primary hazards (wildfire, flooding, and earthquake) as established within the Mitigation Needs Assessment (MNA) of the CDBG-MIT Action Plan. Projects should be consistent with applicable planning documents (e.g., Local Hazard Mitigation Plan). The program prioritizes Projects that benefit vulnerable and LMI populations as well as those located inside the Most Impacted and Distressed area (MID) or documented to impact the MID. Per the grant requirements, 50 percent of the funds are required to benefit the MID, 50 percent of the funds are required to be spent in the MID, and 50 percent of the funds are required to benefit LMI persons.

Additionally, for CDBG-MIT funds to be used as the non-federal cost share local match, the Project must be a HUD eligible activity and must meet a HUD national objective, per CDBG-MIT rules and regulations. Similarly, the Project must fully comply with all applicable federal rules and regulations, including labor compliance (i.e., Davis Bacon and related acts, lower income priority workers (i.e., Section 3), disability rights (i.e., Section 504), procurement, environmental review, and all other CDBG-MIT, cross-cutting, state and local applicable statutes, rules, and regulations.

---

<sup>1</sup> Note: CDBG-MIT is the program funding source and MIT-RIP is the HCD program.

The program allocation is made available via a Notice of Funding Availability (NOFA) which outlines eligibility criteria and timelines for funding. Eligible Applicants within the MID may submit infrastructure Projects to HCD for funding consideration through the NOFA process.

## 1.2 Terms and Definitions

<b>Acronym</b>	<b>Meaning</b>
BCA	Benefit Cost Analysis
BIA	Bureau of Indian Affairs
CAC	Citizen Advisory Committees
CDBG-MIT	Community Development Block Grant Mitigation Program
FEMA	Federal Emergency Management Agency
FEMA HMGP	FEMA Hazard Mitigation Grant Program
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
MIT-RIP	CDBG-MIT Resilient Infrastructure Program
MNA	Mitigation Needs Assessment
NOFA	Notice of Funding Availability
UNM	Urgent Need Mitigation

**Activity Costs:** Direct costs from undertaking a Project, which can be tied to a completed Project, national objective, and eligible activity.

**Activity Delivery Costs (ADC):** ADCs are allowable costs incurred for implementing and carrying out eligible CDBG 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-assisted activity, meet a national objective, and meet all other CDBG program requirements.

**Applicant:** means any Jurisdiction or Tribal Entity that applies for funds pursuant to Applicant eligibility section. (See Also: Eligible Applicant and Subrecipient).

**Application:** A formal document used to assess eligibility and viability of an individual Project and includes final construction design plans, identification and documentation of all funding sources, Authorizing Resolutions, and documentation showing Applicant's capacity for and compliance with state and federal regulations

**Area Median Income (AMI):** means the median family income for specific geographic areas, adjusted for household size, as calculated by HUD, and published annually by HCD



for the CDBG program at <https://www.hcd.ca.gov/grants-and-funding/income-limits>. For Tribal Entities, if the HUD AMI for the county located within the Tribal Entity's service area is lower than the United States median, the Tribal Entity may use the United States median income limit as AMI.

**Authorization to Use Grant Funds (AUGF):** is the written notification from HCD to the Subrecipient, indicating that a specific Project has met HCD's prerequisites, including all applicable environmental clearances, and authorizing the Subrecipient to expend CDBG-MIT funds on that specific Project.

**Authorizing Resolution:** is a formal resolution of the Subrecipient's highest authority, including but not limited to, the city council or county board of supervisors, board of directors, tribal council or tribal leadership, authorizing the Subrecipient to accept CDBG-MIT 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 Agreements and other supporting documents.

**Bureau of Indian Affairs (BIA):** refers to a United States federal agency within the Department of the Interior that manages over 55,700,000 acres of trust, restricted or allotted lands held in trust or otherwise administered by the U.S. federal government for over 574 federally recognized Indian tribes through its Office of Trust Services and includes issuing approvals of leases and recording of leases, mortgages, encumbrances, liens, rights-of-way, or other security documents against the tribal trust land through its Land and Title Records Office.

**CALGreen:** is California's first green building code and first in the nation state-mandated green building code. It is formally known as the California Green Building Standards Code, Title 24, Part 11, of the California Code of Regulations. For more information, visit <https://www.dgs.ca.gov/BSC/Codes>.

**California Environmental Quality Act (CEQA):** is 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. For tribal Applicants where the project is located on trust land, this requirement will not apply.

**Code of Federal Regulations (CFR):** is the acronym used for the Code of Federal Regulations.

**Contractor:** Per [2 CFR 200.331](#), a contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the Contractor. See the definition of *contract* in [§ 200.1 of Part 200](#). Characteristics indicative of a procurement relationship between the non-Federal entity and a Contractor are when the Contractor meets at least one of the following:

- Provides the goods and services within normal business operations.

- Provides similar goods or services to many different purchasers.
- Normally operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of the federal program.
- Is not subject to compliance requirements of the federal program as a result of the agreement, though similar requirements may apply for other reasons.

**Cross-Cutting Federal Requirements:** Federal regulations that apply to any project or program funded by federal money, including HUD funding. These federal requirements pertain to financial management, procurement, environmental, labor, acquisition, relocation, fair housing, and non-discrimination.

**Davis-Bacon Wage Requirements:** The Davis Bacon and Related Acts (DBRA) requires all contractors and subcontractors performing work on federal or District of Columbia 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. Contractors and subcontractors on DBRA prime contracts in excess of \$150,000, or related DBRA 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. For tribal Applicants where the project is located on trust land, this requirement will not apply if the tribe has formally adopted through its Tribal Law a Tribally Determined Wage (TDW) and has provided HCD with 1) copy of the tribal resolution or ordinance adopting the TDW and 2) the methodology of how it determined the wage, pursuant to 25 U.S.C. § 1000.16 (e).

**Duplication of Benefits (DOB):** Financial assistance received from another source that is provided for the same purpose as the CDBG-MIT funds. The Stafford Act prohibits any person, business concern, or other entity from receiving financial assistance from CDBG Mitigation funding with respect to any part of the loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other sources. It is an amount determined by the program that may result in the reduction of an award value.

**Eligible Applicant:** means any Jurisdiction or Tribal Entity that applies for funds pursuant to Applicant eligibility section. (See Also: Applicant and Subrecipient).

**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).

**Federal Emergency Management Agency (FEMA):** An agency of the United States Department of Homeland Security. The agency's primary purpose is to coordinate the response to a disaster that has occurred in the United States and that overwhelms the resources of local and state authorities.

**Federally Recognized Tribe:** A tribe that meets the definition of Indian tribe under Section 4103(13)(B) of Title 25 of the United States Code or a Tribally Designated Housing Entity (TDHE) under 25 USC 4103(22).

**FEMA Hazard Mitigation Grant Program (HMGP):** FEMA HMGP Projects are those that result in protection to public or private property, have a beneficial impact upon the designated disaster area, whether or not located in the designated area, and meet the minimum project criteria in [44 CFR Section 206.434\(b\)](#).

**Grantee:** The term “Grantee” refers to HCD.

**Grants Network:** The Department’s electronic grant management system and Application portal.

**Grants Network Portal:** Applicants submit Application to the program through their Grants Network Portal account. Subrecipients manage awarded Projects through the same Grants Network Portal account.

**Ground Lease for Tribal Applicants:** Ground lease of Indian Country entered into by the Tribal Entities for that certain real property identified in the executed lease that is to be approved by BIA and recorded in the BIA’s Land Title and Records Office of the United States Department of the Interior, and, in the official records of the County wherein the Indian Country is located. Grantee shall provide evidence of BIA approval of the Ground Lease promptly upon receipt of approval by the BIA. Indian Country is defined as:

- All land located in “Indian country” as defined by 18 U.S. Code (USC) 1151;
- All land within the limits of a Rancheria under the Jurisdiction of the United States Government;
- All land held in trust by the United States for an Indian tribe or individual; and
- All land held by an Indian tribe or individual subject to a restriction by the United States against alienation.

**Hazard Mitigation Plan:** State and local plans designed to identify risks to the community and ways to reduce impacts and damages from disasters

**HUD-Identified MID Area:** Cities, counties or other jurisdictions or geography identified by HUD as most impacted and distressed areas based on analysis of FEMA and state data.

**HUD Public Facilities Activity and Match Activity:**

- **HCDA Section 105(a)(2) – Public Facilities and Improvements:** the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements.
- **HCDA Section 105(a)(9) – Payment of Non-Federal Share:** payment of the non-Federal share required in connection with a federal grant-in-aid program undertaken as part of activities assisted under this title.

**Jurisdiction:** A city, town, or county.

**Low- and Moderate-Income (LMI):** Low- and moderate-income people are those having incomes not more than the moderate-income level (80 percent Area Median Family Income) set by the federal government for the HUD-assisted Housing Programs. This 80 percent income standard changes from year to year and varies by household size, county and the metropolitan statistical area.

**Minority- and/or Women-Owned Business Enterprise (M/WBE):** A business that is owned and controlled (minimum of 51 percent ownership) by a member of a minority group or women.

**Mitigation:** Those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters as defined in the Federal Register Notice (84FR 45838, August 30, 2019).

**Mitigation Needs Assessment (MNA):** Analysis of historical data and institutional knowledge provided in state and local Hazard Mitigation Plans and from prior disasters to determine risks of impacts of disasters on housing and infrastructure.

**Most Impacted and Distressed (MID):** An area that meets the definition of Most Impacted and Distressed set by HUD in the Federal Register Notice. For purposes of the unmet needs allocation, HUD has defined Most Impacted and Distressed as an area (county or zip code) that meets the following criteria:

- Individual Assistance/Individual and Households Program (IHP) designation: HUD has limited allocations to those disasters where FEMA had determined the damage was sufficient to declare the disaster as eligible to receive IHP funding.
- Concentrated damage: HUD has limited its estimate of serious unmet housing need to counties and zip codes with high levels of damage, collectively referred to as “most impacted areas”. For this allocation, HUD is defining most impacted areas as either most impacted counties—counties exceeding \$10 million in serious unmet housing needs—and most impacted zip codes—zip codes with \$2

million or more of serious unmet housing needs. The calculation of serious unmet housing needs is described below.

- Disasters meeting the most impacted threshold. Only 2018 disasters within the threshold are funded:
  - One or more most impacted county, and/or
  - An aggregate of most impacted zip codes of \$10 million or greater than was declared by the President to be a major disaster area under the Stafford Act for a disaster event occurring in 2018.

**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 Flood Insurance Program (NFIP):** Created by Congress in 1968 to reduce future flood damage through floodplain management and to provide people with flood insurance through individual agents and insurance companies. FEMA manages the NFIP.

**Native American Lands:** Real property located within the State of California that meets the following criteria:

- It is trust land for which the United States holds title to the tract or interest in trust for the benefit of one or more tribes or individual Indians, or is restricted Indian land for which one or more tribes or individual Indians holds fee title to the tract or interest but can alienate or encumber it only with the approval of the United States; and the land may be leased for housing development and residential purposes under federal law; or
- Lands outside the Jurisdiction of tribal government owned or co-owned by a Native American Entity.

**Non-Federally Recognized Tribe (NFRT):** A Non-Federally Recognized Tribe is a Tribal Entity that does not meet the Bureau of Indian Affairs' definition of Federally Recognized Tribe and is not included in the Federal Register listing of Federally Recognized Tribes.

**Over-the-Counter (OTC):** Is the process in a NOFA of applying for funds for projects that does not use a competitive rating and ranking process to determine awards. In the OTC process, HCD continuously accepts and evaluates Applications until funds are exhausted. Note: only Projects submitted to the 20 percent set aside will be evaluated in this manner.

**Project:** Project means any activity or series of activities undertaken by a federal agency or with federal financial assistance received or anticipated in any phase of an undertaking in accordance with the federal funding agency guidelines pursuant to Per 49 CFR 24.2(a)(22) .

**Request for Proposal (RFP):** A procurement document designed to solicit proposals for services where cost is considered as a factor.

**Request for Release of Funds (RROF):** An environmental review term for a process used by Responsible Entities (the state) when requesting the release of funds and the authority to use such funds for HUD programs identified by statutes that provide for the assumption of the environmental review responsibility by units of local government and states. The approval of the RROF is required before environmental clearance may be provided to a recipient of CDBG-MIT funds.

**Responsible Entity (RE):** “Responsible Entity” (RE) means the agency receiving CDBG assistance. The Responsible Entity must complete the environmental review process. The RE is responsible for ensuring compliance with NEPA and the federal laws and authorities, for issuing the public notification, for submitting the Request for Release of Funds and certification, when required, and for ensuring the Environmental Review Record (ERR) is complete, pursuant to 24 C.F.R. Part 58.

**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. The Section 3 program requires that recipients of certain 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.

**Stafford Act:** The Robert T. Stafford Disaster Assistance and Emergency Relief Act, PL 100-707 as amended by the Disaster Relief Act of 1974, PL 93-288. (Stafford Act).

**Stand-Alone Project:** Non-match, Stand-Alone Projects are those eligible infrastructure Projects critical to address identified unmet Mitigation needs and increase the resilience of cities and counties and are not funded by other federal recovery programs.

**Standard Agreement (SA):** The contractual arrangement between HCD and the Subrecipient which sets forth the terms and conditions by which CDBG-MIT funds are utilized. The Standard Agreement allows for one Project to be completed under the agreement.

**Subrecipient:** An entity receiving an award from HCD under this MIT-RIP Program for an approved project and has an executed agreement with HCD.

**Tribal Determined Wage (TDW):** A prevailing wage rate to be paid to all laborers and mechanics employed in the development of affordable housing, which is duly adopted in accordance with Tribal Law and in compliance with Section 104(b) of the Native American Housing and Self Determination Act of 1996 (NAHASDA), 24 C.F.R. 1000.16 and 29 C.F.R. 1.2 and 1.3. and when duly adopted in compliance with NAHASDA, the Davis-Bacon, HUD Determined and California Prevailing Law shall not apply to the Project.

**Tribal Entity:** Tribal Entities are defined as one of the following:

- A tribe that meets the definition of Indian tribe under Section 4103(13)(B) of Title 25 of the United States Code.
- A tribe that meets the definition of Tribally Designated Housing Entity (TDHE) under 25 USC 4103(22).
- A tribe that is either of the following:
  - Listed in the BIA of Federal Acknowledgement petitioner list pursuant to Section 82.1 of Title 25 of the Federal Code of Regulations; or
  - Listed on the contact list maintained by the California Native American Heritage Commission for the purposes of consultation pursuant to Section 65352.3 of the Government Code; and
  - Organized as a separate legal entity-non-profit organization that is organized as a 501(c)(3) organization pursuant to the Internal Revenue Code and it is demonstrated to the satisfaction of HCD that the separate legal entity-non-profit organization is controlled by the Eligible Tribal Entity Applicant.

**Tribal Law:** Includes the following documents:

- Constitution of the Eligible Applicant Tribal Entity; and
- Tribal Entit(ies) Ordinance, Resolutions duly adopted in accordance with Tribal Law; and
- Tribal Entity (Ordinance or Resolution) designating a TDHE to be an Eligible Applicant for Tribal Entit(ies).
- Tribal Entit(ies) governing documents, ordinances, resolutions, or other laws adopted by the tribe.

**Uniform Relocation Act (URA):** A federal law that establishes minimum standards for federally funded programs and Projects that require the acquisition of real property (real estate) or the displacement of persons from their homes, businesses, or farms.

**U.S. Department of Housing and Urban Development (HUD):** Federal department through which the CDBG-MIT funds are allocated to HCD.

## **2. Program Activities and Requirements**

### **2.1 Infrastructure Program Activities**

MIT-RIP utilizes CDBG-MIT funds to address two needs of Eligible Applicants:

- Providing support to Eligible Applicants with payment of their non-federal local cost share (FEMA HMGP Match and other federal grants) requirement; and
- Providing funds to Eligible Applicants to develop “Stand-Alone” infrastructure Projects, which can be funded with up to 100 percent CDBG-MIT funding, that are necessary to address unmet Mitigation needs.

#### **2.1.1 FEMA HMGP Match**

FEMA Hazard Mitigation Grant Program (HMGP) activities are designed to help communities implement hazard mitigation measures following a Presidential Major Disaster Declaration in the areas of the state, the Tribal Entity, or territory requested by the Governor or authorized tribal official. The key purpose of HMGP is to enact Mitigation measures that reduce the risk of loss of life and property from future disasters. Projects that are approved for FEMA HMGP Match are eligible for non-federal, local match funding under MIT-RIP. See Section 2.4 for a full description of eligible FEMA HMGP Match Projects, activities, and compliance.

#### **2.1.2 Other Non-Federal Match**

HCD may fund the local portion of the non-federal share for other federally grant-funded infrastructure Projects that meet the HUD definition of Mitigation and at least one program threshold. Grants include, but are not limited to, Projects funded by the Federal Highway Administration (FHWA) and the United States Department of Agriculture (USDA).

#### **2.1.3 Stand-Alone Infrastructure**

Non-match, Stand-Alone MIT-RIP Projects that meet the HUD definition of Mitigation, meet at least one HCD Program Threshold, and generate a measurable resilience benefit can be funded with up to 100 percent of CDBG-MIT funding. The MIT-RIP Program assists local Eligible Applicants with Mitigation -related infrastructure needs to support risk reduction from the three primary hazards (wildfire, flooding, and earthquake) as established within the Mitigation Needs Assessment. Projects may address risks to a variety of systems and structures to enable continuous operations of critical business and government functions during future disasters and improve responses for human health and safety or economic security. Funding may also be used in tandem with other local, state, or federal resources.



## 2.2 Infrastructure Program Requirements (Program Requirements)

### 2.2.1 Meeting a National Objective

In accordance with [24 CFR 570.208](#), [Section 104\(b\)\(3\) of the HCDA](#), and as further outlined within the waivers and alternative requirements per Federal Register Notice [84 FR 45838](#), all CDBG-MIT funded activities must satisfy either the Low-to Moderate-Income (LMI) or the new Urgent Need Mitigation (UNM) national objective.

The final determination of the national objective is completed during the Application process based on HUD guidance.

All MIT-RIP activities must meet one national objective criterion related to its specific Mitigation impact and defined direct benefits or service area.

### 2.2.2 Overall Benefit Requirement

The primary objective of the HCDA is the “development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income” (42 U.S.C. 5301(c)). HUD has acknowledged that this target is likely difficult to reach when Grantees are pursuing community-wide or regional mitigation measures to protect entire regions or communities regardless of income. Therefore, Federal Register Notice 86 FR 561 waives the requirements at 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3), that 70 percent of funds be used for activities that benefit low- and moderate-income persons. Instead, 50 percent of CDBG-MIT funds must benefit low- and moderate-income persons. As a result, HCD must ensure that 50 percent of its total CDBG-MIT grant funds projects that meet the LMI national objective.

### 2.2.3 Benefit to LMI Persons

MIT-RIP Projects that qualify under the benefit to LMI persons national objective category must meet the criteria of an activity, as defined by [24 CFR 570.208](#):

- Area benefit activities: An activity, the benefits of which are available to all residents in a particular area, where at least 51 percent of the residents are low- and moderate-income persons.
- Limited clientele activities: An activity which benefits a limited clientele, at least 51 percent of whom are low- and moderate-income persons.
- Housing activities: An activity which is carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households
- Jobs activities: An activity designed to create or retain permanent jobs where at least 51 percent of the jobs, computed on a full-time equivalent basis, involve the employment of low- and moderate-income persons.

For more information on meeting the benefit to LMI persons national objective see: [CDBG Guide to National Objectives and Eligible Activities Chapter 3](#). Additionally, HUD’s Basically CDBG for States includes [Chapter 6 Public Facilities, Special Assessments and Privately-Owned Utilities](#), which provides guidance on how to determine the appropriate national objective category for infrastructure, and how to document compliance with the national objective. Information from the Basically CDBG for States public services resource is summarized below.

<b>Benefit to LMI Persons Subcategories</b>	<b>Required Application Documentation</b>
<b>LMI Area Benefit</b>	<p>Per <a href="#">24 CFR 570.208(a)(1)</a>, the public service must be offered to all residents of an area where at least 51 percent of the residents are LMI. The area must be clearly delineated and must be primarily residential.</p> <p>To document qualification under this national objective:</p> <ol style="list-style-type: none"> <li>1) Provide a map demonstrating the boundaries of the service area.</li> <li>2) Document that the area is primarily residential (i.e., zoning maps).</li> <li>3) Document the income characteristics of households in the service area (Census data or income survey).               <ol style="list-style-type: none"> <li>a. Census data utilizing <a href="#">HUD’s LMI Mapping Tool</a> <ol style="list-style-type: none"> <li>i. List of census tracts included in the service area.</li> <li>ii. Number of LMI persons</li> <li>iii. LMI percentage</li> </ol> </li> <li>b. Income survey documentation (if applicable) that complies with the <a href="#">CDBG Income Survey Toolkit - HUD Exchange</a>.</li> </ol> </li> </ol>
<b>LMI Limited Clientele</b>	<p>Per <a href="#">24 CFR 570.208(a)(2)(i)</a>, documentation of one of the following:</p> <ol style="list-style-type: none"> <li>1. The Project will exclusively benefit a clientele who are generally presumed by HUD to be principally LMI (abused children, elderly persons, battered spouses, homeless persons, severely disabled adults, illiterate adults, persons living with AIDS, and migrant farm works).</li> </ol>

	<ol style="list-style-type: none"> <li>a. The Project Application’s scope of work must document that the activity is designed to be used exclusively by one of the presumed LMI groups listed above.</li> </ol> <ol style="list-style-type: none"> <li>2. The Project will serve 85 percent LMI, as evidenced by documentation and data concerning beneficiary family size and income. <ol style="list-style-type: none"> <li>a. The Project Application must identify which of the following options the Project will use to demonstrate that at least 85 percent of beneficiaries are LMI. <ol style="list-style-type: none"> <li>i. Proposed beneficiaries will have already undergone income verification due to participation in another program/activity with income-eligibility requirements. The Project will utilize previously collected, verified data and documentation.</li> <li>ii. Proposed beneficiaries do not overlap with another program’s income-eligibility requirements. The Project will complete income verification to document Project beneficiaries are at least 85 percent LMI.</li> </ol> </li> </ol> </li> <li>3. The Project will have income-eligibility requirements which limit the service exclusively to LMI persons, as evidenced by the administering agency’s procedures, intake/Application forms, income limits, and other sources of documentation.</li> <li>4. Project is of a nature and in such a location that the Project’s beneficiaries are primarily LMI persons.</li> </ol>
<b>LMI Housing</b>	<ul style="list-style-type: none"> <li>• Projects may qualify under the LMI housing national objective if the project being funded exclusively assists in the provision of housing to be occupied by LMI income individuals.</li> <li>• <b>At application</b>, Applicants must describe in detail how the proposed project would meet this requirement</li> </ul>
<b>LMI Jobs</b>	<ul style="list-style-type: none"> <li>• Projects may qualify under LMI Jobs if the following criteria are met: <ul style="list-style-type: none"> <li>○ If the CDBG-MIT cost per job created or retained is less than \$10,000 per Full Time Employee (FTE), the subrecipient must ensure that 51 percent of the jobs created or retained by the businesses for which the</li> </ul> </li> </ul>

	<p>facility/improvement is principally undertaken are available to or held by LMI persons</p> <ul style="list-style-type: none"> <li>○ If the CDBG-MIT cost per job created or retained is \$10,000 or more per FTE, the subrecipient must ensure that 51 percent of the jobs created or retained by all businesses in the service area of the facility/improvement are available to or held by LMI persons. This includes all businesses, which as a result of the public facility/improvement, locate or expand in the service area between the date the activity is identified in the action plan and one year after completion of the facility/improvement. In addition, the assisted activity must comply with the public benefit standards.</li> <li>● <b>At application</b>, the subrecipient must provide the amount of CDBG-MIT funds that will be spent per job created/retained. The subrecipient must also ensure that it has appropriate and enforceable legal documents in running with the land and/or with each business that benefits from the improvement</li> </ul> <p><b>Please note:</b> Under <a href="#">570.483€(1)</a> if the public facility serves a primarily residential area, it must meet the area benefit criteria even if it is also providing low-and moderate income jobs</p>
--	--

#### 2.2.4 Urgent Need Mitigation

HUD’s Federal Register Notice [84 FR 45838](#) created a new National Objective - Urgent Need Mitigation (UNM) for CDBG-MIT programs only. Projects using the UNM National Objective must provide documentation that demonstrates a measurable and verifiable impact on reducing risks at the completion of the activity. UNM Projects must meet the following:

- Address the current and future risks as identified in the Mitigation Needs Assessment.
- Result in a measurable and verifiable reduction in the risk of loss of life and property.

National Objective Category	Required Application Documentation
<b>Urgent Need Mitigation</b>	Document the following: <ol style="list-style-type: none"> <li>1. How will the Project address current and future risks as identified in the Mitigation Needs Assessment?</li> <li>2. How will the Project result in a measurable and verifiable reduction in the risk of loss of life and property?</li> <li>3. Explanation of what and how data will be collected to support the two items above.</li> </ol>

#### 2.2.4.1 Slum and Blight

Unless HCD receives prior approval from HUD, the slum and blight national objective designation may not be used for CDBG-MIT activities.

The final determination of the National Objective is completed during the Application process based on HUD guidance.

#### 2.2.4.2 Determining Service Area

Determining the service area of an activity involves consideration of the nature, location, and accessibility of each activity, and the information contained within the Project's description and scope of work. Service areas are based on the beneficiaries of recovery activities and/or types of facilities (e.g., work on roads and bridges, repair/replacement of public utilities, etc.); geographic features (e.g., locations of highway, rivers, hillsides, etc.); and local population characteristics (e.g., population size and density). Wherever possible, HCD leverages pre-defined service areas mapped by a government agency or utility service providers.

HCD anticipates that Projects that qualify under the Low- and Moderate-Income (LMI) National Objective are primarily using the Low- and Moderate-Income Area Benefit (LMA) category. Once a Project's service area is identified, HUD Low- and Moderate-Income Summary Data is used to determine if at least 51 percent of the residents are low- and moderate-income persons.

#### 2.2.5 Eligible Applicants

- A) The Eligible Applicants with allocations for 2018 MIT-RIP funds are Jurisdictions within the MID. This includes eligible Jurisdictions that have seen 1 percent or more of total structures destroyed by fire and have more than 0.4 percent of total land designated as moderate, high, or very high fire hazard risk that will receive a proportional allocation of program funds.

B) Jurisdictions or Tribal Entities within the MID or with projects that will impact the MID, that do not meet the allocation requirements are still eligible to submit Projects towards a 20 percent set aside. Applicants will then be required to submit Project Applications which will be reviewed against eligibility thresholds to ensure they meet program requirements.

**Eligible Applicants with Allocations**

<b>Jurisdiction</b>	<b>Allocation</b>
Butte County	\$6,109,510.13
Lake County	\$2,346,659.90
Los Angeles County	\$3,998,793.56
Malibu	\$588,934.12
Paradise	\$10,273,223.81
Redding	\$357,150.53
Shasta County	\$8,431,222.35
20% Set Aside	\$8,026,373.60
<b>TOTAL</b>	<b>\$40,131,868.00</b>

The following Jurisdictions will be eligible to apply towards the 20 percent set aside:

- City of Agoura Hills
- City of Anderson
- City of Calabasas
- City of Chico
- City of Gridley
- City of Lakeport
- City of Los Angeles
- City of Oroville
- City of Shasta Lake
- City of Westlake Village
- Tribal Entities located within the MID, as defined in these policies and procedures, or Tribal Entities that have projects that benefit the MID

### *2.2.5.1 Subrecipient Grantee*

Eligible Applicants may work with a Grantee, called a Subrecipient Grantee, to assist them in implementation of their proposed project. A Subrecipient Grantee is a local government, special district, Tribal Entity, or other similar entity.

Subrecipients of HCD cannot engage in a Project with a Grantee unless the Subrecipient meets the following conditions:

- The Subrecipient provides a written monitoring plan of the Grantee for the proposed Project(s). The monitoring plan must demonstrate that the Subrecipient has sufficient understanding of the Program Requirements, the applicable federal and state regulations, and the capacity to monitor the work of its subrecipients.
- Subrecipient provides the written agreement between the Subrecipient and the Grantee. If a Subrecipient is a CDBG entitlement community and has a subrecipient agreement in place, they may use the agreement as a template or amend an existing agreement to include CDBG-MIT funds.

For all cases in accordance with 83 FR 5844 Section 51(k), HCD must also assess the Subrecipient's capacity to execute and monitor the proposed Project(s) as a factor in the Project review.

HCD in its sole and absolute discretion will determine whether a proposed entity is an eligible Subrecipient Grantee. If the Application is approved by HCD, the Subrecipient may enter into an agreement with the Grantee of the Subrecipient for implementing the Project. The Subrecipient will be solely responsible for monitoring their Grantee and ensuring all state and federal requirements are met.

#### *2.2.5.1.1 Tribal Entity as a Subrecipient Grantee*

Eligible Applicants with a Tribal Entity as a Subrecipient Grantee shall have the following:

- Partnership agreement – Documenting the partnership relationship between the tribe and the other partner entity.
- Authorizing tribal resolution or ordinance, or other tribal document, duly adopted, in accordance with Tribal Law signed by the tribal official with authority to bind the tribe.

### **2.2.6 HUD Definition of Mitigation**

All MIT-RIP Projects must meet the HUD definition of Mitigation to be eligible for funding. HUD defines Mitigation as:

*Activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.*

### 2.2.7 Alignment with Local and Regional Plans

Projects submitted to HCD for funding must demonstrate a connection to the goals and objectives of local or regional planning documents. If there is a misalignment between planning documents and the proposed Projects, or planning documents are out of date, the Applicant will need to identify the schedule for updating the plans and explain the need for the Project, including how it will be connected to the updated plans.

### 2.2.8 2018 MIT-RIP Program Thresholds

In addition to meeting the HUD definition of Mitigation, Projects must meet **one** of the following (see table below for threshold definitions):

1. One Non-Leverage Threshold, or
2. Leverage Threshold

Where a Project meets both a non-leverage threshold and the leverage threshold, HCD recommends qualifying the Project using the non-leverage threshold. By qualifying the project under a non-leverage threshold, the Subrecipient and HCD will better be able to collect the corresponding data and report on the impacts of the Project on the benefiting community.

Details on 2018 MIT-RIP Program Threshold compliance documentation, including, when applicable, lists of qualifying geographic areas and maps, are provided in the following Appendices:

- Appendix A: Map of MID and Disaster Impacted Areas
- Appendix B: 2018 MIT-RIP Threshold Compliance Documentation
- Appendix C: Low Resource Community Census Tracts and Maps
- Appendix D: Tribal Lands Tracts and Maps

	HCD Program Threshold	Definition
<b>Non-Leverage Thresholds</b>	<b>Benefit Low-Income Communities</b>	Project must meet the HUD Benefit to LMI Persons national objective.  <i>See Section 2.2.1 for additional information on meeting a national objective and Appendix B for compliance documentation.</i>



	<b>Benefit Low Resource Communities</b>	<p>Project must be in a census tract with:</p> <ul style="list-style-type: none"> <li>• A Social Vulnerability Index (SVI) of greater than 0.5 or a local to state median income ratio of less than 0.8; <b>AND</b></li> <li>• A total hazard risk percentile greater than 0.6 OR a single hazard percentile greater than 0.8.</li> </ul> <p><i>See Appendix C for eligible census tracts.</i></p>
	<b>Benefit Senior Citizens</b>	51 percent or more of Project beneficiaries must be elderly households (62+)
	<b>Benefit Persons with Disabilities</b>	<ul style="list-style-type: none"> <li>• 51 percent or more of Project beneficiaries must meet HUD definition of disabled, <b>OR</b></li> <li>• 51 percent or more of Project beneficiaries must be households with a disabled person.</li> </ul>
	<b>Benefit Tribal Lands or Persons</b>	<ul style="list-style-type: none"> <li>• 51 percent or more of persons benefitting from the Project are tribal persons as defined by HCD, <b>OR</b></li> <li>• The Project is located on a tribal land census tract and designed to serve tribal persons.</li> </ul> <p><i>See Appendix D for eligible census tracts.</i></p>
<b>Leverage Threshold</b>	<b>Leverage CalOES, CalFire, or other funding source</b>	<p>Overall Project budget must include 10% committed funding from a non-MIT-RIP source. FEMA HMGP Match or other federal match Projects qualify under this threshold. Applicants will be required to submit confirmation of non-MIT-RIP funds by uploading one of the following with the Project Application:</p> <ul style="list-style-type: none"> <li>• Funding award letter</li> <li>• Loan documents</li> <li>• Board resolution to commit general budget funds</li> </ul>

## 2.3 Funding Provision

Funds are awarded as grants for reimbursement of eligible costs. The final reimbursement request for the Project must be submitted to HCD prior to the contract expiration deadline, as defined in the Standard Agreement.

HCD must ensure costs have been incurred and reviews invoices and/or receipts submitted prior to reimbursement. If at any time costs are deemed ineligible by HCD or HUD, the Applicant is responsible for repayment.

### 2.3.1 Per Project Award Funding Cap

There is no limit to the number of Project Applications an Eligible Applicant can submit; however, there is a \$2.5 million cap on an Eligible Applicant's per Project funding award. Each Application submitted equates to one Project.

An Eligible Applicant may apply and qualify for an exemption from the per project funding award cap by making a written request. Requests for the exemption shall be submitted with the Project Application by the Application deadline. The written request must contain the following:

- Full Project budget, with Project Funding Award Cap exemption amount identified;
- Description of all relevant facts, evidence, and supporting arguments in support of the request; and
- Statement certifying that there are no other sources available or anticipated to be available within the Project performance period.

Once the written request is submitted to HCD with the Application, HCD will not accept any further information or materials for consideration related to the request.

Based on the requested and submitted information, HCD in the exercise of its sole and absolute discretion, will determine if there is sufficient information to satisfy the conditions of the exemption, that is not subject to appeal.

### 2.3.2 Eligible and Ineligible Costs

#### 2.3.2.1 *Stand-Alone Infrastructure Eligible Uses of Funds*

Eligibility of Stand-Alone Infrastructure Projects requires that the Projects are non-match, stand-alone infrastructure Projects that meet the HUD definition of Mitigation and at least one HCD Program Threshold. Further, Stand-Alone Infrastructure Projects must be those activities eligible under Title I of the Housing and Community Development Act of 1974 or those activities specified by waiver in 83 FR 5844, published February 9, 2018; 83 FR 40314 published August 14, 2018; 84 FR 97, published January 9, 2019; and 84 FR 6813 published, February 28, 2019. All Projects must meet a National Objective as detailed in Section 2.2.1.

### *2.3.2.2 Stand-Alone Infrastructure Ineligible Uses of Funds*

Projects not related to infrastructure or that do not meet the HUD definition of Mitigation are ineligible for funding. Further, any costs for non-match, Stand-Alone Projects that are funded by another source as detailed in Section 2.1.3. Duplication of Benefits are ineligible for funding.

### *2.3.2.3 Match Project Costs*

#### *2.3.2.3.1 FEMA HMGP Eligible Uses of Funds*

Eligible FEMA HMGP costs are those activities eligible under Title I of the Housing and Community Development Act of 1974 (P.L. 93-383 and amendments) or those activities specified by waiver in 83 FR 5844 published February 9, 2018; 83 FR 40314 published August 14, 2018; 84 FR 97 published January 9, 2019; and 84 FR 6813 published February 28, 2019. As such, CDBG-MIT funds may fund required FEMA HMGP local non-federal share (match) for approved Projects that meet the CDBG-MIT requirements, including the HUD definition of Mitigation and at least one HCD Program Threshold. All Projects must meet a national objective as detailed in Section 2.2.1. Projects that are complete or in progress at the time of Application must show compliance with federal regulations and federal labor regulations (i.e., Davis Bacon, or a Tribally Determined Wage, and Section 3) to be eligible.

#### *2.3.2.3.2 FEMA HMGP Ineligible Uses of Funds*

FEMA HMGP Projects that are not related to infrastructure and/or do not meet the HUD definition of Mitigation are ineligible for funding. FEMA HMGP costs covered by another funding source are a Duplication of Benefits as detailed in Section 2.3.3. and are ineligible for funding.

#### *2.3.2.3.3 Other Non-Federal Share Match Eligible Uses of Funds*

HCD may fund the local portion of the non-federal share for other federally grant-funded infrastructure Projects that meet the HUD definition of Mitigation and at least one HCD Program Threshold. All non-federal share match Projects must also complete a HUD Environmental Review prior to undergoing any choice limiting actions. As a result, HCD cannot fund the match for Projects that are underway or completed unless the Environmental Review was approved by HUD.

If Subrecipients submit Applications for non-federal share match for other federal programs that otherwise meet HCD's eligibility requirement, HCD will evaluate the eligibility of match on a case-by-case basis. The decision to fund match Projects is at the sole discretion of HCD. HCD may provide a non-federal share up to 25 percent of the total cost of the Project.

If the non-federal share of U.S. Army Corps of Engineers Projects is being funded, Eligible Applicants cannot exceed \$250,000 for the non-federal share of the Project.

#### 2.3.2.3.4 Other Non-Federal Share Ineligible Uses of Funds

Projects that have a local share requirement that are not federally funded, are not related to infrastructure, and do not meet the HUD definition of Mitigation are ineligible for funding.

#### 2.3.2.4 Determining the Non-Federal Share Amount

The non-federal share match is that portion of the Project funding that is not covered by the federal government. FEMA administers its grants according to Federal cost sharing requirements as outlined in Title 2 of the Code of Federal Regulations sections 200.29, 200.306, and 200.434 and consistent with Stafford Act, and the National Flood Insurance Act, as amended. In general, FEMA funds may be used to pay up to 75 percent of eligible Activity Costs.

CDBG-MIT funds may be used as a match to FEMA Hazard Mitigation Grant Program (HMGP) Projects. HMGP activities are designed to help communities implement hazard Mitigation measures following a Presidential Major Disaster Declaration in the areas of the state, tribe, or territory requested by the Governor or tribal executive. The key purpose of HMGP is to enact Mitigation measures that reduce the risk of loss of life and property from future disasters. Projects that are approved for FEMA HMGP Match are eligible for non-federal, local match funding under the Resilient Infrastructure Program.

The non-federal share for FEMA HMGP Match Project totals 25 percent of the overall Project cost. MIT-RIP can provide up to the full 25 percent of the overall Project.

<b>Federal Agency</b>	<b>Federal Programs</b>	<b>Federal Cost Share</b>	<b>Non-Federal, State Cost Share</b>	<b>Non-Federal, Local, Share</b>	<b>Disaster</b>
FEMA	Hazard Mitigation Grant Program (HMGP)	75%	None	25%	Any federally declared disaster in California

#### 2.3.2.5 Covered Projects

If HCD determines a MIT-RIP Project meets the definition of a Covered Project, a Project with a total cost of \$100 million or more, with at least \$50 million of CDBG, regardless of source (CDBG, CDBG-DR, CDBG-National Disaster Resilience, CDBG-Mitigation, and CDBG-Coronavirus), the potential Covered Project is addressed outside of the MIT-RIP program covered by these policies and procedures. Covered Projects require a substantial Action Plan amendment and cannot be part of the allocation process for the MIT-RIP.

### **2.3.3 Duplication of Benefits**

All activities funded with CDBG-MIT must undergo a review and calculation for Duplication of Benefits (DOB) prior to funding awards and again prior to Project close out to ensure that duplicative assistance is not provided for the MIT-RIP Project in subsequent phases in accordance with the Stafford Act.

As HCD has the responsibility to ensure that MIT-RIP provides assistance only to the extent that the Mitigation need has not been fully met by funds that have already been paid, or will be paid, from another source. The Applicant must document in the Application all funds obtained for the same purpose as MIT-RIP Project from the date of the disaster until the date of the Application. HCD also reserves the right to require that the Subrecipient perform additional DOB checks throughout the course of the Project's period of performance to ensure there is no duplicative assistance. In the event there is any duplication, the agreement for funding shall include provisions requiring repayment to HCD by the Applicant, equal to any assistance later received from other sources for the same purpose as the CDBG-MIT funds.

DOB condition exists when a program beneficiary, person or entity, receives benefits or assistance from multiple sources for a cumulative amount that exceeds the total need for a particular recovery purpose. These multiple sources of benefits may include, but are not limited to, cash and other resources such as insurance proceeds, grants, FEMA, other local, state, or federal programs, and private or nonprofit charity organizations. (For further information to prevent a DOB see, Federal Register Notice published November 16, 2011 (76 FR 71066) and Federal Register Notice published June 20, 2019 (84 FR 28848)).

### **2.3.4 Recapture of Funds**

A Subrecipient may be required to repay all, or a portion of the disbursed funds through recapture, under the following conditions:

- Subrecipient does not comply with the terms of the Agreement;
- A Subrecipient withdraws from the Program prior to completion of the Project and/or fails to meet a national objective;
- A Project does not meet the requirements specified in this section, Section 2 Program Activities and Requirements;
- A Subrecipient is found to have used program funds for an ineligible activity or cost;
- A Subrecipient receives assistance for the same purpose as the funded MIT-RIP Project including but not limited to insurance settlement funds, FEMA assistance, nonprofit assistance (a DOB); and
- Funds are remaining after the Project is completed or the SA has expired.

The above list is not exhaustive and other conditions may arise that will subject the Subrecipient to the recapture of funds. Recapture of funds are determined on an individual basis in accordance with 2 C.F.R. Part 200 and other applicable cost principles. Recapture provisions shall be included in the Subrecipient Agreement and any agreements entered into between the Subrecipient and other parties.

## **2.4 CDBG-MIT and Cross-Cutting Federal Requirements**

HCD and its Subrecipients must comply with all applicable federal laws and implementing regulations, including but not limited to, the identified Cross-Cutting Federal Requirements set forth below. Further, all MIT-RIP Projects must comply with any and all applicable State of California laws and implementing regulations, and locally adopted codes, and ordinances.

This section provides a summary of the mandatory and applicable Cross-Cutting Federal Requirements for all MIT-RIP activities.

### **2.4.1 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. Where applicable, the requirement of ADA applies to all HCD, the Subrecipients, and vendors.

### **2.4.2 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 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.<sup>2</sup>

### **2.4.3 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).

### **2.4.4 Force Account Labor**

Force account labor occurs when a unit of local government is a CDBG-MIT Subrecipient or PA Match Applicant uses their own workforce to complete construction of an infrastructure Project. For MIT-RIP Projects, the use of force account labor requires advance review and approval by HCD. This may be documented by approval of a Project budget that includes force account labor as a line item. Subrecipients that proceed without prior approval risk disallowance of all incurred costs. The force account labor approval process is used for all MIT-RIP activities.

### **2.4.5 Equal Employment Opportunity Act**

Executive Order 11246, Equal Employment Opportunity, as amended, where applicable, 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.<sup>3</sup>

### **2.4.6 Minority- and/or Women-Owned Business Enterprises**

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

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

---

<sup>2</sup> <https://webapps.dol.gov/elaws/elg/kickback.htm>

<sup>3</sup> [41 CFR Part 60](#)

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 Jurisdiction (i.e., Subrecipient) to prescribe procedures acceptable to the HUD Secretary to establish and oversee a minority outreach program. The 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;
- 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.



#### **2.4.7 Fair Labor Standards Act of 1938, As Amended**

A Subrecipient that receives CDBG-MIT funds must comply with the Fair Labor Standards Act of 1938, as amended (FLSA). FLSA. The 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 Project construction contract regardless of whether CDBG-MIT funds finance only a portion of the Project.

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 MIT-RIP 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 or a TDW as applicable, excluding the exceptions listed below:

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).

#### **2.4.8 Davis-Bacon Labor Standards**

A Subrecipient that receives CDBG-MIT funds must comply with the Davis Bacon and Related Acts (DBRA). The 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 must comply with the DBRA by ensuring that applicable Projects and services are in compliance with DBRA by submitting the necessary documents including, but not limited to, certified payroll records and interviews of prime and subcontractor laborers; all supporting compliance documentation must be uploaded to [Grants Network](#) to be in compliance as HCD only reviews Subrecipient's DBRA documentation that is properly uploaded to Grants Network.

Subrecipients may be impacted by the HUD's Office of Community Planning and Development Notice CPD-15-07<sup>4</sup> issued on September 15, 2015, which provides guidance on pre-application costs and clarifies how cross-cutting requirements apply to CDBG-MIT activities. Notice CPD-15-07 includes clarification on the applicability of DBRA and provides, "...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-MIT assistance.*

*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)."*

Subrecipients shall follow HUD's guidance for all HMGP Match Projects. For construction Projects that were completed prior to December 1, 2020, the date HCD and HUD executed its grant agreement, Davis-Bacon prevailing wage rates are not applicable.

For all Projects with construction that is on-going or completed after December 1, 2020, Davis-Bacon prevailing wage rates apply retroactively to the beginning of construction and the Subrecipient must collect documentation to ensure that the prevailing wage rate has been provided to laborers since the beginning of the Project where applicable.

For tribal Applicants where the project is located on trust land, this requirement will not apply **if** the tribe has formally adopted through its Tribal Law a "Trially Determined Wage" **and has provided HCD with** 1) copy of the tribal resolution or ordinance adopting the TDW and 2) the methodology at how it determined the wage. Pursuant to 25 U.S.C. § 1000.16 €.

---

<sup>4</sup> <https://www.hud.gov/sites/documents/15-07CPDN.PDF>

## **2.4.9 Limited English Proficiency**

HCD follows the Safe Harbor rule, contained in HUD's final guidance<sup>5</sup>, to determine when to provide translation of vital documents. The Safe Harbor rule for written translation of vital documents is based on the number and percentages of the market area-eligible population or current beneficiaries and Applicants that are Limited English Proficiency (LEP). HCD ensures that all citizens have equal access to information about the programs, including persons with disabilities (vision and hearing impairments) and Limited English Proficiency persons.

### **2.4.10 Section 3 of the HUD Act of 1968**

Section 3 of the Housing and Urban Development Act of 1968 (Section 3), as amended, requires that economic opportunities generated by CDBG-MIT 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 or government assisted housing.

In accordance with Section 3, recipients using CDBG-MIT funding for housing or other public construction are required, to the greatest extent feasible, to provide training and employment opportunities to lower income residents and contract opportunities to businesses in the Project area.

Projects assisted with DR-Infrastructure funds in excess of \$200,000 trigger Section 3 requirements. When triggered, best efforts must be made to extend Section 3 opportunities to verified Section 3 residents and business concerns to meet these minimum numeric goals:

- (1) Twenty-five percent (25%) of the total hours worked on a Section 3 Project must be worked by Section 3 workers; and
- (2) Five percent (5%) of the total hours worked on a Section 3 Project must be worked by Targeted Section 3 workers.

The Subrecipient and Subrecipient's contractors 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.

---

<sup>5</sup> <https://portal.hud.gov/hudportal/documents/huddoc?id=finallep2007.pdf>

- 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.

### **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, annual 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 (25%) 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 (5%) 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.

MIT-RIP 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 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.

#### **2.4.11 Fair Housing**

Subrecipient that receives CDBG-MIT funds must comply with the Fair Housing Act requirements 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 forms on HCD's website, where applicable.<sup>6</sup> The Affirmative Marketing Plan must be in compliance with applicable Fair Housing Laws and demonstrate how the Applicant affirmatively furthers fair housing throughout applicable HCD Mitigation programs.

For tribal Applicants where the project is located on trust land, this requirement will not apply pursuant to 25 U.S.C. § 1000.12.

#### **2.4.12 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, when applicable.<sup>7</sup>

#### **2.4.13 Uniform Relocation Act and Real Property Acquisition**

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 Uniform Relocation Act (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

---

<sup>6</sup> <https://www.hcd.ca.gov/community-development/building-blocks/program-requirements/equal-housing-opportunity.shtml>

<sup>7</sup> [https://www.hcd.ca.gov/policy-research/plans-reports/docs/Appendix\\_D-Relocation\\_and\\_Anti-Displacement\\_Plan.docx](https://www.hcd.ca.gov/policy-research/plans-reports/docs/Appendix_D-Relocation_and_Anti-Displacement_Plan.docx)

assisted activity. URA was amended by Public Law 105-117. For Tribal Entities the Uniform Relocation Act and the Native American Housing and Self Determination Act at 24 C.F.R. 1000.14 shall apply.

### *Real Property*

If MIT-RIP funds are used to acquire real property, the Subrecipient must ensure that the property is acquired voluntarily and continues to be used for its intended (and approved) purpose, 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-MIT 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) (Property Management and Disposition Regulations 24 CFR 570.503; all Subrecipients 24 CFR 85.32; 85.34, government Subrecipients 24 CFR 84.32; 84.34, nonprofit Subrecipients) (as amended by 2 CFR 200 as needed).

### **2.4.14 Financial Management**

HCD ensures that its grant management staff and Subrecipients administering MIT-RIP funds demonstrate conformity with financial management requirements established in 2 C.F.R. 200 and applicable Federal Registers. 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 MIT-RIP funds are managed with high levels of accountability and transparency.

HCD's Monitoring and Compliance team ensures that Subrecipient's financial management practices adhere to the following:

- Internal controls are in place and adequate;
- Documentation is available to support accounting record entries;
- Financial reports and statements are complete, current and reviewed periodically; and
- Audits are conducted in a timely manner and in accordance with applicable standards.

#### **2.4.15 Insurance and Property Management**

For all Projects in MIT-RIP, when applicable, all Subrecipients, with the exception of those in the PA Match Program, must procure and maintain insurance for the duration of the SA to protect all contract assets from loss due to any cause, such as theft, fraud and physical damage. If CDBG-MIT 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;
- The Subrecipient keeps track of, and takes care of, the property; and
- If the Subrecipient sells or disposes of the property within 5 years after the expiration of the SA or a longer period as HCD deems appropriate, the Subrecipient reimburses HCD for the share of the property's value according to the SA.

#### **2.4.16 Recordkeeping, Retention, and File Management**

Subrecipients that receive MIT-RIP funds must comply with the MIT-RIP record retention requirements. Records are maintained to document compliance with Program requirements and federal, state, and local regulations and to facilitate a review or monitoring by HUD. HCD adheres to State of California record retention requirements, which require all records to be maintained for a period of five (5) years after the CDBG-MIT 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-MIT 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.

Subrecipients shall retain all records, such as financial records, supporting documents, statistical records, and all other records pertinent to the Standard Agreement (SA) for a period of not less than five years after the fiscal year of their grant in accordance with CDBG-MIT 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.

Subrecipients are required to establish and maintain at least three (3) major categories of records: Administrative, Financial Management, and Project Files.

#### *Administrative Records*

These are files and records that apply to the overall administrative of the Subrecipient's CDBG-MIT 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.

#### *Financial Records*

These include records such as the chart of accounts, cash receipts, 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.

#### *Project Files*

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

### **2.4.17 Procurement Policy**

Subrecipients must follow federal, state, and local procurement rules, where applicable, 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-MIT 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 and any other relevant applicable laws. For an active previously procured contract that the Subrecipient would like to apply towards a DR-Infrastructure 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, or any other relevant applicable laws, will be certified by subrecipients when financial reports are submitted to HCD and reviewed by HCD during subrecipient monitoring visits.

#### **2.4.18 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 MIT-RIP 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, Subrecipient 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 MIT-RIP.

All Subrecipient and Project data is secured in HCD's System of Record, Grants Network, in accordance with the State of California's CDBG-MIT Grant Administration Manual's retention policy.

Recordkeeping, including scanning and uploading to Grants Network, and filing of pertinent MIT-RIP 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 (DOB) analyses.

#### **2.4.19 Conflicts of Interest and Confidentiality**

Conflicts of interest between covered persons (e.g., Eligible Applicants, recipients, 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-MIT funds. Generally, no person who is a covered person, and who exercises or has exercised any functions or responsibilities with respect to CDBG-MIT 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 contract between the Subrecipient and HCD prohibit locally elected officials, state staff, recipient employees, and consultants who exercise functions with respect to CDBG-MIT 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.

#### **2.4.20 Environmental Review**

Recipients that receive CDBG-MIT funds must perform an environmental review of the Project prior to federal funds being committed or disbursed by HCD and Subrecipients. The environmental review shall document compliance with 24 CFR Part 58, NEPA (National Environmental Policy Act), and all related laws, authorities, and executive orders. For DR-Infrastructure, each Subrecipient receiving DR-Infrastructure funds, where applicable, becomes the Responsible Entity for completing environmental reviews of all Projects and must submit complete Environmental Review Records and a Request for Release of Funds to HCD 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 CEQA where applicable, including the submission or designation of applicable waivers to the CEQA Clearinghouse with a copy to HCD. No work may start on a proposed 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. MIT-RIP 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-Infrastructure 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 the Department. 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 by the Subrecipient, 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 Project, reimbursement by Subrecipient to HCD for the amount expended, or suspension of the disbursement of funds for the affected activity.

### *Environmental Review Procedures*

An environmental review that complies with the National Environmental Policy Act (NEPA) must be completed before CDBG-MIT funds are expended. However, HUD Grantees are permitted to adopt FEMA’s environmental review if that federal agency has previously performed an environmental review for assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. In those cases, the work performed by FEMA and HUD must be exactly the same work.

For HMGP Match, and other federally funded match Projects, eligible Projects are able to adopt FEMA’s completed environmental review. If a Project’s scope changes beyond what was approved in the Project worksheet, an additional HUD environmental review must be completed. When adopting FEMA’s environmental review, the Subrecipient must obtain a completed copy of FEMA’s Environmental Review Record (ERR) and keep the copy in its Project file. If the environmental review documentation is not available, verification from FEMA or the California Governor’s Office of Emergency Services (Cal OES) is necessary.

For Stand-Alone Projects, each Subrecipient is required to perform a NEPA environmental review on the Project prior to any choice-limiting actions. The Subrecipient is allowed to use

DR-Infrastructure Program Activity Delivery funds to complete environmental reviews. Activity Delivery expenses for environmental compliance work for intended Project Applications may be incurred prior to the receipt of the Authorization to Use Grant Funds (AUGF) provided that such expenses are eligible and are supported by documentation satisfactory to the Department. The environmental review shall document compliance with 24 CFR Part 58, NEPA, and all related laws, authorities, and executive orders. To process the environmental review for each Stand-Alone Project, use the steps below as a guide:

1. Once a Subrecipient enters into an Agreement with HCD, the Subrecipient must submit all Environmental Review Records (ERRs) and Request for Release of Funds (RROF), if applicable, to HCD for review. The Subrecipient may use MIT-RIP activity delivery funds to complete the environmental review.
2. Upon receipt, review, and approval of a completed ERR, HCD provides Subrecipient with an Authority to Use Grant Funds (AUGF), if applicable, or environmental clearance letter.
3. Upon receipt of the AUGF or environmental clearance letter, Subrecipient may incur Project costs.

For all Projects, Subrecipients are responsible for ensuring that MIT-RIP Projects are in compliance with CEQA and obtain all necessary local and state permits.

#### *Flood Insurance and Floodplain Elevation Requirements*

The Subrecipient shall comply, where applicable, 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.

## **3. Implementation Policies**

### **3.1 Project Selection**

#### **3.1.1 Project Application Process**

Eligible Applicants and Subrecipients must follow the following Project Application process in order for their Application to be processed:

1. Submit the completed Project Application for both allocations and the set aside to the Grants Network Portal within 90 days of the release of the NOFA.
2. An Application must be submitted by a single Applicant. The Applicant submitting the Application will be the Subrecipient, should the Project be approved by HCD.
3. If an Applicant has a Subrecipient Grantee, the Application must outline the roles and responsibilities of the Subrecipient Grantee within the Project description, see Section 2.2.5 for more information. The Applicant must include the draft agreement with the Subrecipient Grantee in the Application.
4. Each Application will be evaluated as the Application is received until all funding has been obligated.
5. A Subrecipient that cannot meet the Application deadline, may request an extension in writing and deposited into the Grants Network Portal or as directed by HCD prior to the deadline. HCD DR-Infrastructure Manager or Section Chief may approve the extension request at their sole and absolute discretion.
6. A deadline extension request shall be evaluated by HCD on a case-by-case basis. Following HCD's review HCD shall notify the requester of the final determination. In the event HCD needs additional information to complete extensions request review, HCD shall provide a follow up response within 60 days of receipt of the extension request. If the program is undersubscribed, HCD may extend the Application period, reallocate to other program, or use the allocation methodology and proportion the funding out in allocations to interested Jurisdictions.
7. If the program is undersubscribed, HCD may extend the Application period or reallocate to another CDBG-MIT program.

#### **3.1.2 Application Requirements**

The purpose of the Application is to establish the eligibility and budget of submitted Projects, demonstrate that the Project adheres to program policies and grant conditions, identify and document all funding sources, and provide additional documentation to show compliance with state and federal regulations. The required information as applicable is as follows. HCD may modify and provide additional details and instructions on the Application requirements:

- Organizational Documents
  - Articles of Incorporation

- Bylaws
- Any other governing documents in support of capacity of legal entity to transact business with HCD.
- If a Tribal Entity Applicant must include tribal governance documents, including but not limited to, tribal constitution, tribal ordinances or other Tribal Laws confirming the organization of the tribal official and tribal counsel and the Tribal official's authority to sign on behalf of the tribe and bind the tribe to the terms and conditions of the HCD and Program documents.
- Authorizing Resolution
  - HCD provides a template that must be used
  - Tribal Authorizing Resolution duly adopted and executed in accordance with Tribal Law and submitted to HCD at time of Application
- Due Diligence (See Section 3.2)
- Overall Project Description/Scope of Work
  - The overall Project description and scope of work provides a complete summary of the Project and demonstrates how the Project meets the HUD definition of Mitigation and at least one program threshold. The Project description includes the ownership of the Project and who benefits from the Project. The scope of work includes a full description of construction activities.
- National Objective/MID Documentation
  - For LMI Projects, the Subrecipient must complete a beneficiary form detailing demographic calculations and supporting maps/figures.
  - Urgent Need Mitigation narrative – Explain how once completed the Project will address the current and future risks as identified in the HCD Mitigation Needs Assessment; and (ii) will result in a measurable and verifiable reduction in the risk of loss of life and property. Please note: subrecipients will be required to submit documentation of the measurable and verifiable reduction in risk upon completion of the Project.
- Threshold Compliance
  - Confirmation of the threshold the Project will meet and submission of corresponding compliance documentation.
- Site Control
  - Assessor's parcel information to establish ownership

- Fee title, for tribal trust land, may be evidenced by a title status report or an attorney's opinion regarding chain of title and current title status;
- Leasehold interest in the Project property with provisions that enable the lessee to make improvements on and encumber the property;
- Option to purchase
- A disposition development agreement
- An agreement with a public agency that gives the sponsor exclusive rights to negotiate with that agency for acquisition of the site;
- Land sales contract or other enforceable agreement for the acquisition of the property.
- Complete Cost Estimate/Budget
  - Complete list of all Project funds and sources of funds (CDBG-MIT, local, private, other state funds, federal funds, other)
  - Final MIT-RIP funded budget (eligible Activity Costs and Project Delivery costs)
  - Design and construction cost estimates with description of materials needed, quantities, unit prices, and an itemized amount (if possible)
  - Provide justification of any additional testing, investigations, or other engineering fees (soil boring tests, environmental site assessments, etc.)
- Duplication of Benefits
  - Complete list and supporting documentation of potentially duplicative funds for the same purpose (insurance, utility settlements, state and local grants, etc.)
  - Final duplication of benefits is calculated by the Subrecipient
- Project Maps
  - Detailed maps of the existing infrastructure and proposed infrastructure improvements (can be combined, if needed)
  - Service area of the Project
  - Census tract/block groups related to the service area of the Project
- Project Timeline
  - List of Project milestones (design, preconstruction, phases of construction, and completion).
- Operations and Maintenance Plan



- Narrative describing how the eligible entity intends to operate and maintain the Project over time
- Project Milestones
  - Submission of at least three Project milestones, in addition to the first and last milestones as set by HCD.
  - First milestone: Activity Initiation, 60 days from Standard Agreement execution.
  - Second milestone: First draw of grant funds.
  - Third milestone: 50 percent project completion.
  - Fourth milestone: Reimbursement for 75 percent of grant funds submitted to HCD.
  - Fifth milestone: Project completion.
  - Sixth milestone: Submit final financial report and close-out documents to HCD for final approval by HCD, at least 120 days prior to contract expiration deadline.
  - Last milestone: Contract expiration deadline
- Tribal Determined Wage
  - Copy of the TDW adopted by the Eligible Applicant Tribal Entity
  - Copy of the adopted tribal ordinance, resolution or other document in accordance with 24 C.F.R. § 1000.16 (e); and
  - Copy of the methodology used by the Grantee to determine the TDW and ensure that the TDW law requires the payment of not less than those wage rates the tribe determines to be prevailing.
  - If the Tribal Entity has not completed the adoption of its TDW at time of Application but intends to complete before the award of the funds such intent shall be indicated in the Application. However, if at the time of the award the Tribal Entity has not adopted a TDW, then Davis Bacon and HUD wage rates shall apply.

### **3.1.3 Application Review**

HCD reviews all aspects of the Project Application, including scope, budget, eligibility, environmental review, legal/policy issues, procurement, and compliance. Applications are “complete” when all required documentation has been provided by the Applicant by the deadline. Applications received after the deadline that have not received an approved extension request are disqualified and not eligible for assistance.

Projects that meet all eligibility requirements are submitted to HCD’s Disaster Recovery Branch for final approval. Once an Application has been approved, Applicants are notified of the decision via email and an acceptance letter is uploaded to Grants Network. Following the Application approval, HCD will work with the Applicant to execute a Standard Agreement.

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

#### *3.1.3.1 Application Review Allocations*

For Eligible Applicants with allocations, HCD shall complete a review of the Eligible Applicant's allocation and determines whether each Eligible Applicant's Application amount across its Projects fall within its allocation amount. HCD shall notify Jurisdictions if the Jurisdiction has exceeded the allocation amount and request Application resubmission. Eligible Applicants with submitted Applications at or below the allocation amount proceed to award recommendation.

If an Application is not complete after the 90-day Application period has closed HCD reserves the right to reallocate funds.

#### *3.1.3.2 Application Review for 20 Percent Set Aside*

For Eligible Applicants submitting Projects toward the 20 percent set aside, HCD will review Applications over-the-counter on a rolling first come, first served basis until the Application deadline or until all program funds are awarded, whichever comes first.

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.

### **3.1.4 Authorizing Resolution & Standard Agreement**

The Authorizing Resolution is necessary for completion of an executed SA. Subrecipients must submit an executed Authorizing Resolution on the template provided by HCD with Project Applications via Grants Network Portal or where applicable, another acceptable format as approved by HCD. Any deviation from the HCD Authorizing Resolution Template language may delay implementation of the Eligible Applicant's Project(s). The Authorizing Resolution documents each Applicant's authority to submit Applications and enter into an agreement between the Eligible Applicant and HCD for MIT-RIP. No SA between HCD and a Subrecipient will be valid until the respective Jurisdiction's Authorizing Resolution is submitted and accepted by HCD.

The SA is the contractual agreement between HCD and the Subrecipient which sets forth the terms and conditions by which CDBG-MIT funds must be utilized with regards to Approved Projects. Following the approval of Project Applications by HCD and an executed Authorizing Resolution, HCD shall route the Subrecipient's SA(s) for approval. When ready, the SA(s) will be delivered to the Subrecipient via Grants Network for execution.

### **3.1.5 Site Control Requirements by a Jurisdiction or Tribal Entity for Infrastructure Projects**

In order to seek reimbursement for Activity Costs, Site Control of the proposed Project property must be in the name of the Jurisdiction or Tribal Entity or an entity controlled by the Jurisdiction or Tribal Entity by one of the following means:

- Fee title, which, for tribal trust land, may be evidenced by a title status report (TSR) or an attorney's opinion regarding chain of title and current title status;'
- A leasehold interest on the Project property with provisions that enable the lessee to make improvements on and encumber the property provided that the terms and conditions of any proposed lease shall permit, prior to loan closing, compliance with all Program requirements, including compliance with Section 8316;
- An enforceable option to purchase or lease which shall extend through the anticipated date of the Program award as specified in the Notice of Funding Availability (NOFA);
- A disposition and development agreement with a public agency;
- An agreement with a public agency that gives the Sponsor exclusive rights to negotiate with that agency for acquisition of the site, provided that the major terms of the acquisition have been agreed to by both parties; or
- A land sales contract, or other enforceable agreement for the acquisition of the property.

If the Project has multiple contiguous or non-contiguous sites, the configuration of those sites must satisfy all provisions of the statutes governing the applicable Department funding program or programs, and meet the following additional requirements:

- All of the developments on the various sites must have a single owner and property manager at the time of the closing of the Department loan, with the exception of any non-residential condominium units;
- The debt and associated security instruments of all lenders senior to the Department must be the same for all sites, and multiple senior lenders shall not be allowed;
- The Department must be secured against all sites, with lien priority relative to local public agency lenders and use of cash flow available for residual receipt loan payments determined in accordance with Section 8314(a)(2)(A) and (B) of these regulations (with each lender's share of residual receipts proportionate to their share of total Department and local government assistance for the entire multi-site project); and

- The Department must be named on applicable insurance policies subject to the Department's approval covering all sites, including but not limited to title insurance policies and other policies with coverage for hazard and liability insurance for the Rental Housing Development, including flood insurance, if applicable. The Department shall be named as a loss payee or an additional insured on all such policies. Such policies also shall provide for notice to the Department in the event of any lapse of coverage and in the event of any claim thereunder. Insurance must be obtained and maintained for the term of the Department's program loan.

For Tribal Entities, security documents, including but not limited to a Ground Lease, Lease Rider and a Declaration of Restrictive Covenant shall be required to be recorded against the Tribal Trust Land in the Bureau of Indian Affairs Land and Title Records Office.

### 3.2 Subrecipient Due Diligence

For HCD's Subrecipient capacity assessment, as required in Federal Register Notice 83 FR 5867, Eligible Applicants are required to provide documents and information as part of the Due Diligence process. As Subrecipients, Eligible Applicants are required to comply with the requirements, requests, and results of HCD's capacity assessment and maintain the capacity to carry out Mitigation activities in a timely manner as required in the terms of the Program. The Due Diligence process may result in special conditions in the Agreement to ensure the capacity to carry out Mitigation activities in a timely manner.

### 3.3 Technical Assistance to Subrecipients

HCD provides various types of technical assistance (TA) to Subrecipients and vendors throughout the program. The objectives of TA are to initially aid the Subrecipient and vendors to clearly understand the Program requirements and appropriately submit the Project Application. Also, HCD, through the provision of TA, supports Subrecipients to maintain their day-to-day compliance with federal and state regulations and program requirements. In addition, HCD performs a risk assessment to determine a Subrecipient's capacity to manage the grant(s) and to identify deficiencies in complying with applicable grant and program requirements. According to the risk assessment results, HCD provides technical assistance and guidance to Subrecipients to improve their performance, develop or increase capacity, and augment management and technical skills. Some examples of TA include:

- Verbal or written advice
- Formal training and workshops
- Documentation and guidance

HCD encourages Eligible Applicants to reach out to HCD via email to schedule TA related to these Program Policies and Procedures, the NOFA, and Project Applications to ensure Applicants are prepared prior to the Application opening.

### 3.4 Activity Delivery Costs

Subrecipient may begin to perform Project related activities and to incur Activity Delivery Costs (ADCs) only after the SA is executed, prior to the issuance of an AUGF, so long as such activities would not be considered a choice-limiting action (see Section 1.4.20 Environmental Review for more details on choice-limiting actions). ADCs incurred must be tied to a specific Project.

ADCs are allowable costs incurred for implementing and carrying out eligible CDBG 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-assisted activity or an activity that is CDBG-eligible, meets a national objective, and meets all other CDBG program requirements. There is no maximum cap on ADCs, but Subrecipients must show that ADCs are reasonable for the CDBG-eligible activity being carried out, as authorized under [24 CFR 570.201-570.204](#). If the proposed ADCs exceed 20 percent of the total Project cost, additional justification and documentation are required to justify the need for ADCs that exceed 20 percent of the total Project cost.

#### 3.4.1 Authorization to Incur Costs Before an Executed Standard Agreement

There are two circumstances when ADCs may be incurred prior to the execution of an SA. First, with Program Manager or Section Chief written approval, ADC expenses for environmental compliance work for intended Project Applications may be incurred prior to execution of an SA between the Subrecipient and HCD provided that such expenses are eligible and are supported by documentation satisfactory to the Department. Second, with a Program Manager or Section Chief's written approval, other costs may also be incurred prior to the execution of an SA, such as the cost of procuring consultants and architectural, engineering, and other professional services required to prepare plans, drawings, specification, or work write-ups not more than 24 months prior to the Approved Project being set up in DRGR, provided the Subrecipient procured contracts are conducted in a manner consistent with 2 CFR 200,317 – 200.326, "Procurement Standards."

To seek reimbursement, the Subrecipient must first receive written approval to incur the ADCs and then must submit a complete Financial Report through Grants Network.

In no event shall HCD's approved authorization to incur costs prior to an SA be interpreted to mean that the Subrecipient is not obligated to comply with the requirements around choice-limiting actions. Regardless of the authorization, it is still the responsibility of the Subrecipient to limit its activities and incurring of costs to comply with the choice-limiting action requirements.

#### 3.4.2 Subrecipient ADCs with Incomplete Projects

If the initial Project(s) are unable to be completed, a review of the causes of the Project failure is performed. The Subrecipient must provide documentation demonstrating the

cause of the Project's failure for HCD to review. Depending on the specifics of the situation, HCD may require more evidence of the causes of failure during the review process. If, after the review, the evidence demonstrates that the Project was put forth and proceed in good faith on the part of the Subrecipient, then HCD would consider a new eligible Project from the Subrecipient, as long as the initial ADCs can be shown to have contributed to the new Project. Prior to any funding of the new Project, a new capacity assessment, Project evaluation, and amended SA with stricter grant conditions is required.

If it is shown that the Project failed due to egregious behavior or actions, including but not limited to conflicts of interest, fraud, waste, abuse, and similar types of issues or actions on the part of the Subrecipient, then any funding payments made toward the Project are required to be repaid and the Subrecipient is 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 or does not sufficiently demonstrate that the initial Project's ADCs have contributed to the new Project, HCD shall open the outstanding funding for other Eligible Applicants in order to meet the Eligibility and Priority Level requirements of MIT-RIP.

## 4. Program Operations

### 4.1 Agreements with Contractors or Other Parties

Subrecipient shall not enter into any agreement, written or oral, with any 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 in accordance with 2 C.F.R. § 200.213.

The term “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 the Subrecipient and any Contractor or other party shall include, but not limited to the following:

- Compliance with all state and federal requirements, where applicable, 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, where applicable;
- Maintenance of unemployment insurance, disability insurance and liability insurance which is reasonable to compensate any person, firm or corporation who may be injured or damaged during the performance of Project activities, where applicable;
- Contractors, where applicable, shall:
  - Comply with the applicable provisions of the California Labor Code;
  - Perform the Project activities in accordance with federal, state and local housing and building codes as applicable; and
  - Provide security to assure completion of the Project(s) by furnishing the borrower and construction lenders with proof of sufficient insurance and performance and payment bonds, or other security approved in advance in writing by the Department, as determined by the particulars of each individual Project are required.

### 4.2 Document Retrieval Process

All documentation at each step of the process of the Project’s operations, from Application to grant completion and closeout, must be submitted through the Grants Network Program Portal. This ensures that all the required documents are available for review and retrieval in one location. To submit or retrieve a document, the Subrecipient needs to enter their project workspace through the Grants Network Program Portal and upload the document to the proper location.

### 4.3 Disbursement of Funds

Payments are made directly to Subrecipients as reimbursements based on the documented completion of agreed upon Project milestones, as outlined in the SA. "Reimbursement-based" means that Activity Delivery and Project costs must be incurred by the Subrecipient and documented as required by the terms of the SA for payment of invoices. Please see the state's CDBG-MIT Grant Administration Manual, Section V for additional financial management procedures and requirements.

### 4.4 Reporting Requirements

Subrecipients are required to submit reports at times indicated in the SA, in accordance with HCD and HUD reporting requirements, and via Grants Network. At a minimum, during the term of the SA, on a monthly basis, the Subrecipient shall submit to HCD Activity Reports which will include but not be limited to the following topics:

- Number of beneficiaries served.
- Various beneficiary demographic data.
- Data related to national objective compliance.
- Race and ethnicity beneficiary data, as applicable.
- Labor standards compliance reporting.
- Data related to Project performance measures included in the Standard Agreement.
- Project status.
- Expenditure status.
- Contract milestones status.
- Data related to the household demographics of Project beneficiaries.
- A description of the current status of the Project activity.
- A description of activities to be undertaken in the next reporting period.
- A description of problems or delays encountered in Project implementation and course of action taken to address them.
- Any questions that have arisen during implementation or a request for technical assistance.
- A description of actions taken to achieve Project milestones.

At any time during the term of the SA, HCD may perform or cause to be performed an independent financial audit of any and all phases of the Subrecipient's Project(s). At HCD's request, the Subrecipient shall provide, at its own expense, a financial audit prepared by a certified public accountant. As stated in the State of California's CDBG-MIT Grant Administration Manual, Section V.J.1 on internal audits, 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.

## 4.5 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-MIT programs and activities. HCD is required to ensure that its Subrecipients comply with:

- The requirements of the DR program;
- FRN requirements applicable to the 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 Agreement with HCD, including amendments if applicable; and
- The annual monitoring assessment and strategy.

Monitoring provides information about 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.

### 4.5.1 HCD's Monitoring of Subrecipients

HCD monitors its Subrecipients and Contractors/vendors, when applicable, based upon an assessment of risk posed by the Jurisdiction or Contractor/vendor and according to specific monitoring criteria pursuant to 2 C.F.R. § 200.331. HCD conducts a Risk Assessment on all Subrecipients and Contractors/vendors on an annual basis. In accordance with 2 C.F.R. § 200.221, 24 C.F.R. § 570.492 and 42.U.S.C §5304(e)(2), the risk assessment seeks to gauge Subrecipients' capacity to implement a program or Project, its compliance with the SA, performance objective, and to assess operational risk. The goal of this process is to determine the highest risk areas across all CDBG-MIT activities and alert HCD to the programs, Subrecipients, and/or Contractors/vendors who require the greatest administrative oversight. The results of the risk assessment advise HCD of those high risk Subrecipients, Contractors/vendors for technical assistance, capacity training, scheduling frequency, and type of 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:

- HCD sends notification letter the Subrecipient;
- Document collection and pre-monitoring work begins for the next 30 business 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 onsite 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.

### *Desk Monitoring*

Desk monitoring is conducted at the HCD office regardless of the location of the Subrecipient's office. It commences 30 days after the Subrecipient is notified via the notification letter. During the 30-day notification period, the Subrecipient will provide HCD with any documentation requested in the notification letter. A desk monitoring can either be a comprehensive review of the Project or area-specific (e.g., Procurement and Contract, Environmental, Section 3, Financial Management). Typically, desk monitoring is only conducted for low-risk to medium-risk Subrecipients and on some cases may trigger an onsite monitoring based on the findings of the HCD monitor. The outcome of the desk monitoring is communicated to the Subrecipient via an Exit Conference and in writing via a Monitoring Report.

### *Onsite Monitoring*

During the onsite visit, an HCD representative reviews files for compliance with applicable federal and program requirements. This review is similar to the desk monitoring process. To prepare for onsite visits, the HCD monitor uses information contained within Grants Network, the Agreement, and Program Application. These may include items such as employee timecards, financial statements, Project file documents, draw requests, and policies and procedures provided by the Subrecipient. Typically, onsite monitoring is reserved for medium-high to high-risk Subrecipients. This group of Subrecipients present the greatest risk to HCD's compliance with HUD's grant requirements. Onsite monitoring is intended to be a more comprehensive assessment of the Subrecipients' management of the DR program in compliance with applicable federal, state and local regulations and requirements. This level of monitoring is performed at the Subrecipient's location and is more formal than a desk monitoring.

Generally, HCD does not monitor a Subrecipient's construction Contractor. Rather, HCD monitors the Subrecipient's monitoring of the Contractor since monitoring the Contractors is the responsibility of the Subrecipient. However, if HCD determines that a Subrecipient has not performed adequate monitoring of its Subrecipients or Contractors, HCD may directly monitor the Subrecipient or Contractor to confirm that applicable regulatory compliance is being provided. When necessary, the HCD representative arranges onsite Project inspections with the Subrecipient and its Contractors to confirm eligible CDBG-MIT activities are being conducted, eligible costs are being charged and that the required national objective is being met.

#### **4.5.2 Subrecipient Monitoring Responsibilities**

HCD requires the Subrecipients to develop their own monitoring plan for their Projects and Contractors that complete construction on MIT-RIP funded Projects. Therefore, Subrecipients are responsible for carrying out their Projects to meet these compliance requirements. HCD's monitoring plan is available on the HCD website and provides guidance to the Subrecipient to develop their own monitoring plan.

For construction Projects, it is the responsibility of the Subrecipient to monitor Projects to ensure compliance with terms of the Agreement and applicable regulations. Subrecipient monitoring should include the following:

- Ensuring Project scopes of work are consistent with the scope of work described in the Project Applications;
- Physical inspection should include the inspection of all construction Projects to ensure the Project remains in scope;
- Monitoring construction Contractors for equal opportunity, federal and state labor standards and Section 3 requirements;
- Following procurement processes in accordance with 2 CFR §200 or local standards if higher;
- Ensuring Project milestones are being met;
- Ensuring environmental reviews are completed and documented properly;
- Complying with the terms and conditions of the Agreement with HCD, especially anti-fraud and abuse;
- Monitoring Contractors/vendors for federal compliance standards;
- Financial Management: internal controls, accounting, program income and record keeping are in compliance with 2 CFR 200 and CDBG-MIT costs are eligible, allowable, reasonable, and allocable; and
- Documenting national objective compliance for all activities.

Please see the State of California's CDBG-MIT Grant Administration Manual, Section XVI for additional monitoring and compliance procedures and requirements.

## 4.6 Record Keeping

HCD's Agreement with the Subrecipient is the contractual document that details the financial and recordkeeping requirements and standards for Subrecipients allocated funds to carry out specific eligible DR-Infrastructure activities. Such reports and recordkeeping requirements, defining the specific reports and the reporting dates, along with the particular record and the timeline for maintaining them are to assist HCD in meeting HUD's recordkeeping and reporting requirements per Section 104(e); (a)(2)(D) and (a)(3)(b), §570.506 (records to be maintained), and §570.508 (public access to records). Further record keeping requirements as detailed in 85 FR 4681 and per HCD's grant agreement with HUD include, but are not limited to:

- Executed agreement(s)
- Authorizing Resolutions
- Entity Organizational Documents
- Description, geographic location, and budget of each activity
- Eligibility and national objective determinations for each activity
- Evidence of having met a national objective
- Evidence of having met the MID criteria
- Evidence of having met the LMI criteria
- Subrecipient Agreement (SA)
- Any bids or contracts
- Characteristics and location of the beneficiaries
- Compliance with special program requirements
- Personnel files
- HUD monitoring correspondence
- Citizen participation compliance documentation
- Fair Housing and Equal Opportunity records
- Environmental review records
- Documentation of compliance with crosscutting requirements (e.g., Davis-Bacon, Uniform Relocation Act, and Lead-Based Paint, etc.)
- Budget and expenditure information
- Chart of accounts

- Accounting procedures
- Accounting journals and ledgers
- Source documentation (purchase orders, invoices, canceled checks)
- Procurement files (including bids, contracts, etc.)
- Real property inventory
- Draw down requests
- Payroll records and reports
- Financial reports
- Audit files
- Relevant financial correspondence
- The status of the Project and/or activity
- Tribal Governance Documents
- Tribally Determined Wage Documents
- Tribal Partnership Agreements

Further, Subrecipients are required to maintain financial records and submit the financial reports sufficient to ensure compliance with all recordkeeping and reporting requirements. Per the Standards for Financial Management Systems, accounting records must be supported by source documentation such as canceled checks, invoices and demands, payrolls, time and attendance records, contract and sub-grant award documents, etc.

#### 4.7 Grant Closeout

The closeout of a grant is a process through which HUD determines that all applicable administrative and program requirements of the grant were completed. In general, a grant is ready for closeout when the following conditions are met:

- All individual activities were completed, met a national objective, and closed out in DRGR;
- All contracts have completed closeout;
- All grant funds were expended in full or all remaining funds are planned to be returned to HUD;
- All reporting requirements were completed and submitted (except for the final report that is submitted during the closeout process, if applicable);
- Any special conditions of the grant were met; and
- All audit and monitoring issues affecting the grant were resolved.

#### **4.7.1 Closeout of a Standard Agreement**

CDBG-MIT Subrecipients are required to submit the following to HCD for each contract to complete closeout:

- The final request for funds.
- Evidence of a public hearing reporting the grant accomplishments and expenditures of each Project to the residents of the Jurisdiction.
- If applicable, the final Projects of the grant funding (planning studies, environmental review records, etc.).

HCD reviews the documentation and processes the final funds requests if all provided documentation and the circumstances of the Project warrant contract closeout. HCD disencumbers any remaining funds, if applicable, and updates all needed information in DRGR to show the activities and Projects are “completed.”

HCD reviews and updates the following in DRGR:

- The total amount of funds drawn down for the activity
- A final check for DOB
- The activity type
- The national objective
- The grant activity accomplishments

Once all documentation has been processed and DRGR has been updated, HCD sends a Closeout Letter to the Subrecipient, outlining all closeout requirements. HCD will update the next QPR regarding closeout of a Project’s Standard Agreement.

Subrecipients are required to retain CDBG-MIT records for a period of not less than five (5) years after the fiscal year of their grant in accordance with CDBG-MIT record retention requirements. HCD notifies subrecipients when the HUD grant has been closed.

#### **4.7.2 HCD Closeout of HUD Grant**

The closeout of the HCD grant is a process through which HUD determines that all applicable administrative and program requirements of the grant were completed. In general, a grant is ready for closeout when the following conditions are met:

- All individual activities were completed, met a national objective, and closed out in DRGR;
- All contracts (i.e., Standard Agreements) have completed closeout.
- All grant funds were expended in full or all remaining funds are planned to be returned to HUD.

- All reporting requirements were completed and submitted (except for the final report that is submitted during the closeout process, if applicable).
- Any special conditions of the grant were met.
- All audit and monitoring issues affecting the grant were resolved.

Once HCD has completed closeout of all program activities, 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 C.F.R. Part 200.

If opting to satisfy this requirement for fiscal controls and administrative procedures by applying the provisions of 2 C.F.R. Part 200, HCD must comply with all requirements therein. Additionally, HCD must ensure that recipients of the state's CDBG-MIT funds comply with 2 C.F.R. Part 200.

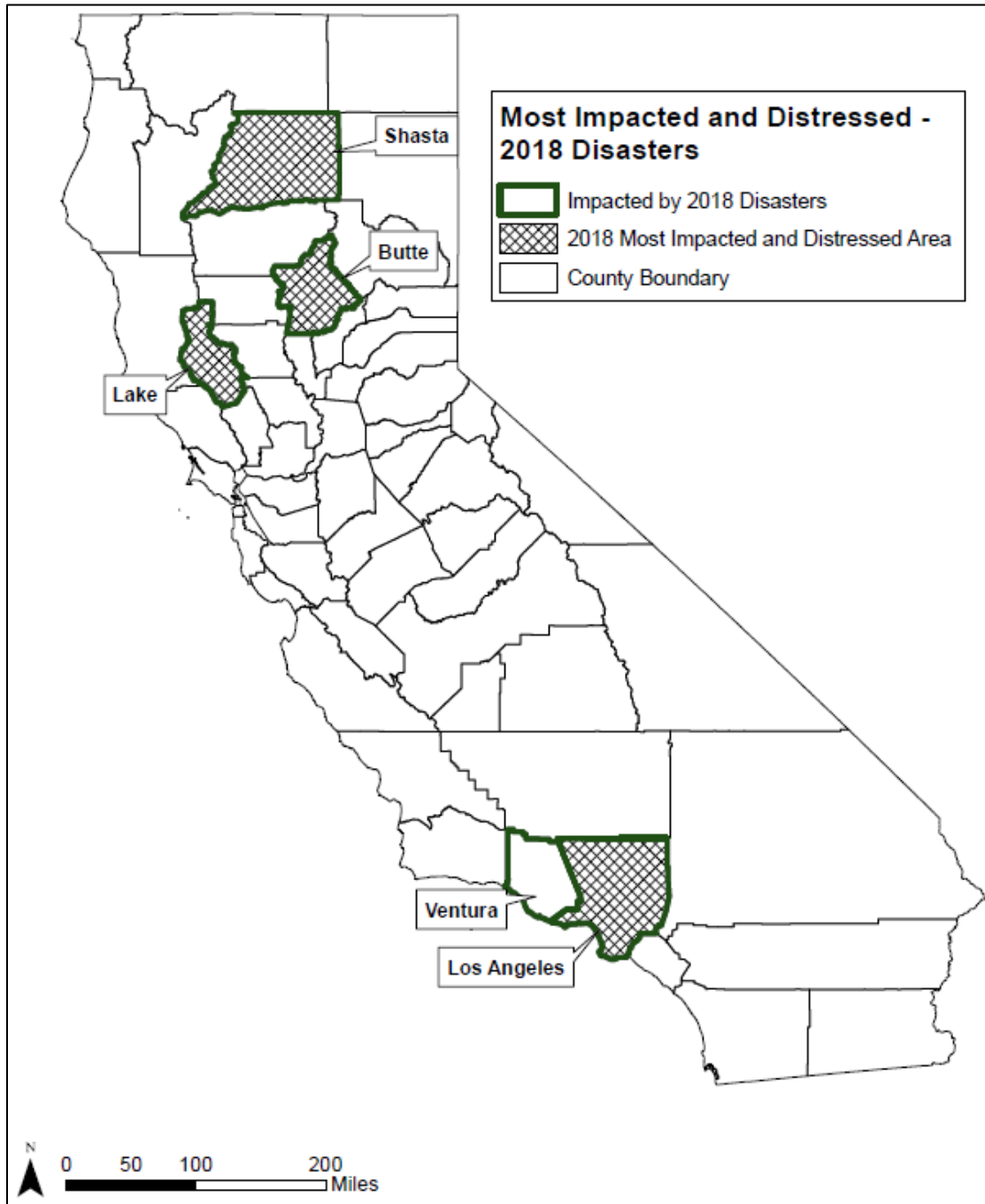
Concurrent with the financial report is a final QPR as well as an update of all transactional data in DRGR. If an acceptable report is not submitted, an audit of the grant activities may be conducted by HUD.

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.



## 5. Appendix A: Map of MID and Disaster Impacted Areas



## 6. Appendix B: 2018 MIT-RIP Program Threshold Compliance Documentation

HCD Program Threshold	Definition	Definition Detail/Data Sources	Application Requirements
<b>Benefit Low-Income Communities</b>	<p>Project must meet HUD's Benefit to LMI Persons national objective:</p> <ul style="list-style-type: none"> <li>• LMA: The area served by the Project is 51 percent or more LMI.</li> <li>• LMC: Project benefits a specific group of persons rather than an area.</li> </ul>	<p>See <a href="#">HUD's Basically CDBG Chapter 3: National Objectives</a> for more information.</p>	<p>Program threshold will not be met until national objective is confirmed at Project completion. At application, the following must be submitted:</p> <p>LMA:</p> <ul style="list-style-type: none"> <li>• See the National Objective table in Section 1.2.1 for Application requirements.</li> </ul> <p>LMC:</p> <ul style="list-style-type: none"> <li>• Project beneficiaries must be 85% or more LMI, unless The Project will exclusively benefit a clientele who are generally presumed by HUD to be principally LMI or Project is of a nature and in such a location that the Project's beneficiaries are primarily LMI persons.</li> <li>• Proposal of how Applicant plans to meet LMC. Proposal is submitted at time of Application and will indicate which of the 4 options for meeting LMC, the Applicant</li> </ul>

HCD Program Threshold	Definition	Definition Detail/Data Sources	Application Requirements
			will use. See Section 1.2.1 for more details.
<b>Benefit Low Resource Communities</b>	<p>Project must be located in a census tract with:</p> <ul style="list-style-type: none"> <li>• A Social Vulnerability Index (SVI) of greater than 0.5 or a local to state median income ratio of less than 0.8; <ul style="list-style-type: none"> <li>• <b>AND</b></li> </ul> </li> <li>• A total hazard risk percentile greater than 0.6 OR a single hazard percentile greater than 0.8.</li> </ul>	<ul style="list-style-type: none"> <li>• OES Hazard Risk and Social Vulnerability Heat Map Dashboard (Update) (arcgis.com)</li> <li>• Cal OES Dashboard Export <ul style="list-style-type: none"> <li>○ <b>Dataset includes:</b> Hazard exposure data (total exposure, wildfires, flooding, earthquakes) Social vulnerability (CDC Social Vulnerability Index; median household income to median statewide household income ratio)</li> </ul> </li> <li>• CDC/ATSDR SVI Data and Documentation Download   Place and Health   ATSDR</li> </ul>	<p>Project is located on or benefits a Low Resource Community Census Tract (See Appendix C)</p> <ul style="list-style-type: none"> <li>• Identify in the Project Application the Census Tract(s) from provided list.</li> <li>• Provide map of Project location/service area and selected Census Tract(s).</li> </ul>

HCD Program Threshold	Definition	Definition Detail/Data Sources	Application Requirements
		<ul style="list-style-type: none"> <li>○ <b>Dataset includes:</b> Poverty rate, other SVI inputs (race, elderly, disability, mobile homes)</li> <li>● Cal Enviroscreen 4.0 <ul style="list-style-type: none"> <li>○ Environmental justice dataset, with environmental impacts, social vulnerability factors, and disadvantaged communities' designation</li> <li>○ Census tract-level dataset; some overlap with the SVI Data</li> </ul> </li> <li>● Statewide Affordable Housing Opportunities Sites (arcgis.com) <ul style="list-style-type: none"> <li>○ Identifies eligible sites for the state excess lands program</li> </ul> </li> </ul>	

HCD Program Threshold	Definition	Definition Detail/Data Sources	Application Requirements
<b>Benefit Senior Citizens</b>	51 percent or more of Project beneficiaries must be elderly households (62+)	<a href="#">HUD's elderly person definition</a> : A household composed of one or more persons at least one of whom is 62 years of age or more at the time of initial occupancy.	One of the following: <ul style="list-style-type: none"> <li>• Project is designed to serve elderly households. <ul style="list-style-type: none"> <li>○ Documented in Project scope of work and LMC national objective.</li> </ul> </li> <li>• By census data, service area population of the Project is 51 percent or more elderly households. <ul style="list-style-type: none"> <li>○ Provide list of census tracts and map.</li> </ul> </li> </ul>
<b>Benefit Persons with Disabilities</b>	<ul style="list-style-type: none"> <li>• 51 percent or more of Project beneficiaries must meet HUD definition of disabled</li> <li>• <b>OR</b></li> <li>• 51 percent or more of Project beneficiaries must be households with a disabled person.</li> </ul>	<p>HUD defines disabled persons under the <a href="#">LMC national objective</a>, persons are considered disabled by HUD if they:</p> <ul style="list-style-type: none"> <li>• Use a wheelchair or another special aid for 6 months or longer;</li> <li>• Are unable to perform one or more functional activities (seeing,</li> </ul>	One of the following: <ul style="list-style-type: none"> <li>• Project is designed to benefit disabled <i>persons</i>: <ul style="list-style-type: none"> <li>○ Documented in scope of work and LMC national objective</li> </ul> </li> <li>• Project is designed to benefit <i>households</i> with a disabled person: <ul style="list-style-type: none"> <li>○ Disability data from American Community Survey (ACS)</li> </ul> </li> </ul>

HCD Program Threshold	Definition	Definition Detail/Data Sources	Application Requirements
		<p>hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking);</p> <ul style="list-style-type: none"> <li>• Need assistance with activities of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating and toileting) or instrumental activities of daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework and using the telephone);</li> <li>• Are prevented from working at a job or</li> </ul>	<p>and Survey of Income and Program Participation (SIPP) <a href="#">Census: Disability</a> .</p> <ul style="list-style-type: none"> <li>○ <b>Note:</b> Will only use LMA or UNM national objectives.</li> </ul>

HCD Program Threshold	Definition	Definition Detail/Data Sources	Application Requirements
		<p>doing housework;</p> <ul style="list-style-type: none"> <li>• Have a selected condition including autism, cerebral palsy, Alzheimer’s disease, senility or dementia or mental retardation;</li> <li>• Are under 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI).</li> </ul>	
<b>Benefit Tribal Lands or Persons</b>	<ul style="list-style-type: none"> <li>• At least 51 percent of persons benefitting from the Project are tribal persons as defined by HCD</li> <li>• <b>OR</b></li> <li>• The Project is located on tribal land and designed to serve tribal persons.</li> </ul>	<ul style="list-style-type: none"> <li>• Tribal Lands definition as defined by HCD HOME program and included above in Section 1.2 Terms and Definitions</li> <li>• Person living on tribal lands: A person whose primary residence is located on a Tribal Land.</li> </ul>	<p>One of the following:</p> <ul style="list-style-type: none"> <li>• Project is designed to serve tribal persons or be located on tribal lands. <ul style="list-style-type: none"> <li>○ Documented in scope of work and service area map.</li> </ul> </li> <li>• Project is located on or benefits a Census Tribal Tract (See Appendix E)</li> </ul>

HCD Program Threshold	Definition	Definition Detail/Data Sources	Application Requirements
			<ul style="list-style-type: none"> <li>○ Identify in the Project Application the Tribal Tract(s) from provided list.</li> <li>○ Provide map of Project location/service area and selected Tribal Tract(s).</li> </ul>
<b>Leverage CalOES, CalFire, or other funding source</b>	<p>Overall Project budget must include 10% of total budget as committed funding from a non-MIT-RIP source. FEMA HMGP Match or other federal match Projects qualify under this threshold.</p>	<ul style="list-style-type: none"> <li>● Full Project budget including a minimum of 10% leverage and source of leveraged funding.</li> </ul>	<p>One of the Following:</p> <ul style="list-style-type: none"> <li>● Funding award letter</li> <li>● Loan documents</li> <li>● Board resolution to commit general budget funds</li> </ul>



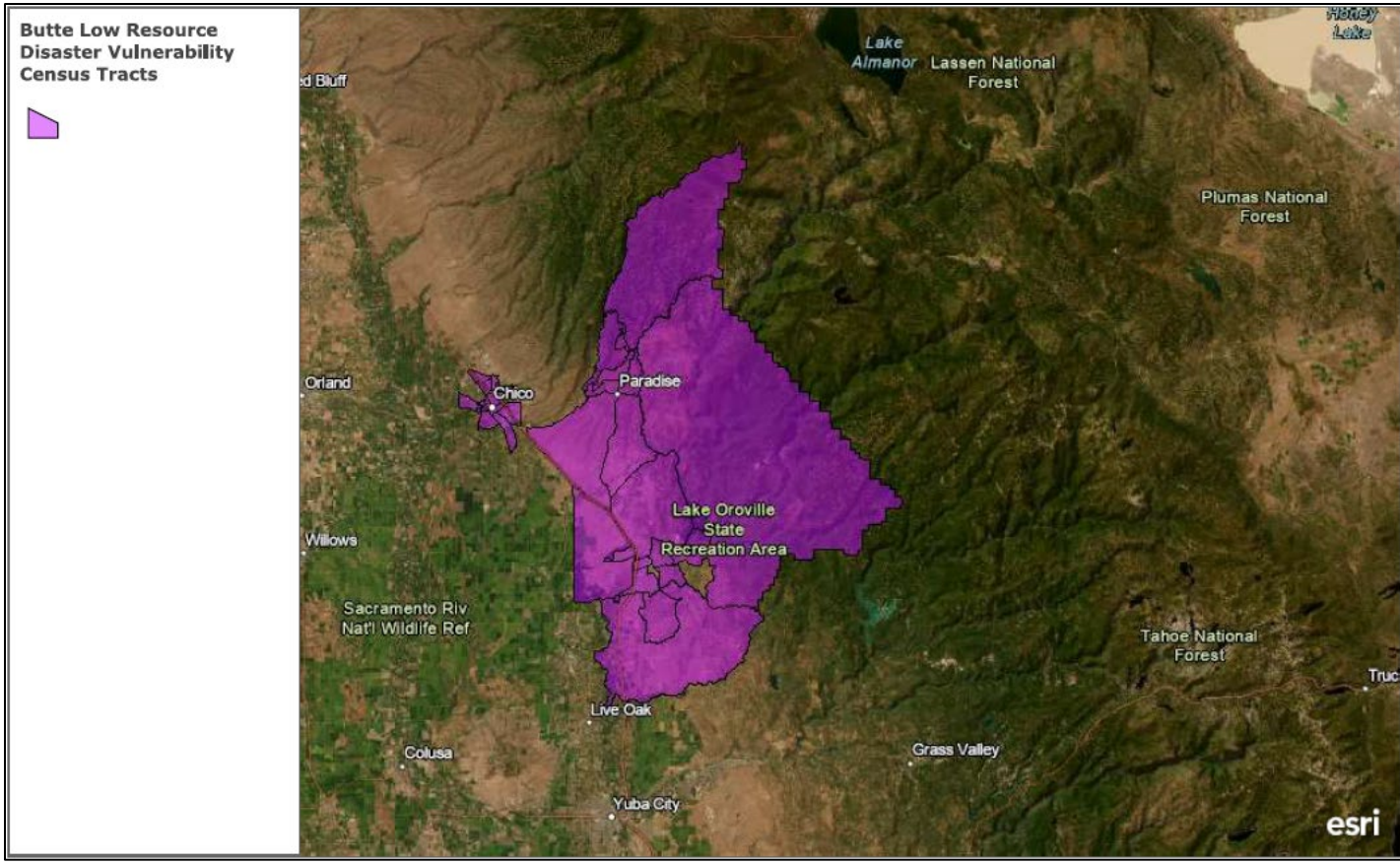
## 7. Appendix C: Low Resource Community Census Tracts & Maps

### 7.1 Butte County

Census Tract	County	Fire _pct	Flood _pct	Quake _pct	Drought _pct	Heat _pct	Total_hazard _pct	SVI_ over all _pct	Median Household Income
Census Tract 1.02	Butte County	0.77	0.97	0.13	0.25	0.68	0.71	0.67	\$ 58,681
Census Tract 1.04	Butte County	0.78	0.93	0.13	0.25	0.67	0.68	0.44	\$ 58,764
Census Tract 10	Butte County	0.62	0.98	0.14	0.25	0.65	0.60	0.53	\$ 36,948
Census Tract 11	Butte County	0.77	0.98	0.14	0.27	0.65	0.71	0.55	\$ 35,000
Census Tract 12	Butte County	0.80	0.99	0.14	0.26	0.65	0.72	0.44	\$ 37,955
Census Tract 13	Butte County	0.68	0.98	0.14	0.25	0.65	0.64	0.89	\$ 37,557
Census Tract 17.02	Butte County	0.94	0.74	0.02	0.27	0.63	0.66	0.43	\$ 57,609
Census Tract 17.03	Butte County	0.85	0.26	0.02	0.23	0.62	0.26	0.34	\$ 54,207
Census Tract 17.04	Butte County	0.98	0.59	0.02	0.32	0.57	0.57	0.52	\$ 41,408
Census Tract 18	Butte County	0.85	0.30	0.02	0.27	0.63	0.30	0.66	\$ 47,784
Census Tract 19	Butte County	0.85	0.30	0.02	0.23	0.64	0.29	0.46	\$ 57,330
Census Tract 2.01	Butte County	0.78	0.90	0.14	0.25	0.67	0.66	0.36	\$ 50,488
Census Tract 2.02	Butte County	0.69	0.94	0.13	0.25	0.67	0.63	0.54	\$ 49,029

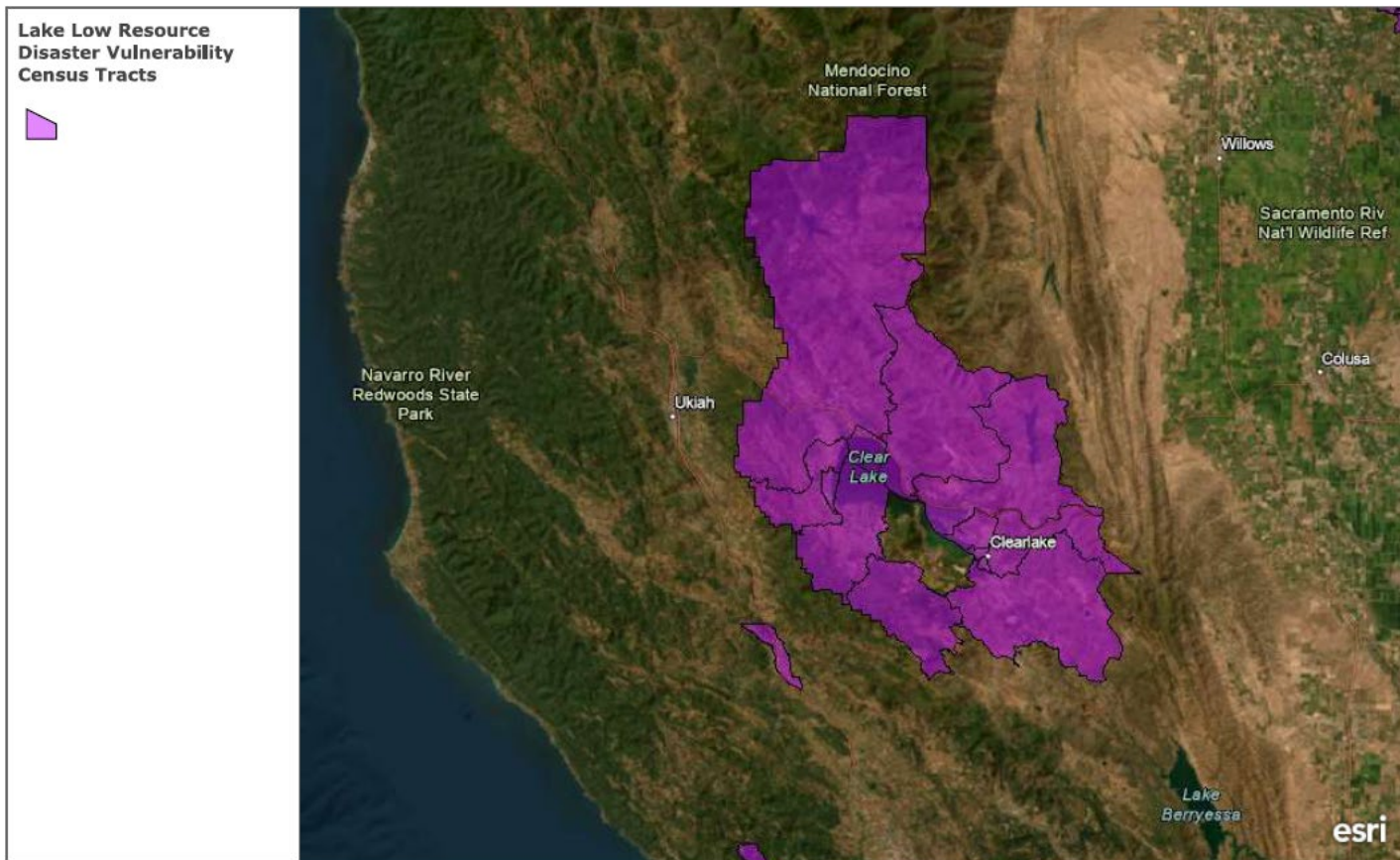
Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
Census Tract 20	Butte County	0.83	0.31	0.02	0.23	0.64	0.28	0.54	\$ 56,250
Census Tract 21	Butte County	0.85	0.48	0.02	0.27	0.64	0.43	0.57	\$ 47,896
Census Tract 22	Butte County	0.89	0.84	0.02	0.27	0.67	0.71	0.54	\$ 53,125
Census Tract 23	Butte County	0.93	0.80	0.02	0.27	0.66	0.70	0.40	\$ 44,500
Census Tract 24	Butte County	0.99	0.73	0.02	0.32	0.64	0.72	0.56	\$ 40,071
Census Tract 25	Butte County	0.95	0.89	0.02	0.27	0.68	0.77	0.92	\$ 37,054
Census Tract 26.02	Butte County	0.90	0.44	0.02	0.25	0.68	0.45	0.34	\$ 48,090
Census Tract 27	Butte County	0.85	0.44	0.02	0.27	0.67	0.43	0.69	\$ 49,029
Census Tract 28	Butte County	0.74	0.85	0.09	0.27	0.65	0.61	0.89	\$ 27,031
Census Tract 29	Butte County	0.86	0.90	0.06	0.25	0.64	0.69	0.85	\$ 48,897
Census Tract 3	Butte County	0.72	0.95	0.14	0.24	0.67	0.65	0.81	\$ 37,518
Census Tract 30.02	Butte County	0.82	0.80	0.09	0.25	0.66	0.62	0.88	\$ 41,377
Census Tract 31	Butte County	0.85	0.44	0.02	0.27	0.67	0.42	0.59	\$ 52,258
Census Tract 32	Butte County	0.87	0.50	0.04	0.27	0.67	0.48	0.88	\$ 40,318
Census Tract 33	Butte County	0.93	0.73	0.03	0.27	0.69	0.67	0.52	\$ 47,411
Census Tract	Butte	0.84	0.90	0.07	0.25	0.64	0.68	0.85	\$ 32,401

Census Tract	County	Fire _pct	Flood _pct	Quake _pct	Drought _pct	Heat _pct	Total_hazard _pct	SVI_over all _pct	Median Household Income
37	County								
Census Tract 5.01	Butte County	0.76	0.95	0.14	0.27	0.66	0.69	0.53	\$ 61,442
Census Tract 5.02	Butte County	0.69	0.98	0.13	0.27	0.65	0.66	0.66	\$ 30,791
Census Tract 6.03	Butte County	0.56	0.98	0.13	0.25	0.65	0.56	0.50	\$ 25,833
Census Tract 6.04	Butte County	0.61	0.98	0.13	0.27	0.65	0.60	0.67	\$ 23,577
Census Tract 7	Butte County	0.53	0.98	0.13	0.25	0.65	0.54	0.26	\$ 49,722
Census Tract 9.03	Butte County	0.80	0.98	0.13	0.25	0.66	0.72	0.65	\$ 46,631



## 7.2 Lake County

Census Tract	County	Fire _pct	Flood _pct	Quake _pct	Drought _pct	Heat _pct	Total_hazard _pct	SVI_ over all _pct	Median Household Income
Census Tract 1	Lake County	0.98	0.69	0.30	0.15	0.48	0.58	0.64	\$ 54,827
Census Tract 10	Lake County	0.94	0.74	0.59	0.05	0.55	0.78	0.69	\$ 48,806
Census Tract 11	Lake County	0.98	0.80	0.57	0.05	0.56	0.83	0.48	\$ 57,434
Census Tract 12	Lake County	0.97	0.87	0.47	0.23	0.50	0.79	0.61	\$ 37,981
Census Tract 3	Lake County	0.94	0.74	0.40	0.05	0.55	0.68	0.59	\$ 46,865
Census Tract 4	Lake County	0.81	0.74	0.84	0.05	0.54	0.84	0.68	\$ 55,504
Census Tract 5.01	Lake County	0.97	0.91	0.30	0.15	0.54	0.74	0.52	\$ 42,101
Census Tract 5.02	Lake County	0.81	0.75	0.74	0.15	0.55	0.80	0.62	\$ 47,472
Census Tract 6	Lake County	0.98	0.93	0.28	0.27	0.57	0.75	0.50	\$ 46,512
Census Tract 7.01	Lake County	0.92	0.80	0.39	0.15	0.51	0.68	0.87	\$ 29,052
Census Tract 7.02	Lake County	0.97	0.62	0.31	0.23	0.55	0.57	0.82	\$ 31,154
Census Tract 8.01	Lake County	0.86	0.65	0.47	0.15	0.54	0.61	0.94	\$ 28,902
Census Tract 8.02	Lake County	0.84	0.65	0.48	0.15	0.55	0.61	0.94	\$ 36,520



### 7.3 Los Angeles County

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
Census Tract 1032	Los Angeles County	0.88	0.77	0.58	0.78	0.82	0.95	0.68	\$ 84,286
Census Tract 1041.24	Los Angeles County	0.8	0.68	0.52	0.77	0.86	0.9	0.59	\$ 77,885
Census Tract 1042.04	Los Angeles County	0.75	0.72	0.54	0.78	0.88	0.91	0.94	\$ 59,000
Census Tract 1060.10	Los Angeles County	0.88	0.68	0.54	0.78	0.89	0.94	0.55	\$ 89,946
Census Tract 1065.10	Los Angeles County	0.83	0.68	0.65	0.81	0.94	0.95	0.65	\$ 85,521
Census Tract 2014.02	Los Angeles County	0.32	0.62	0.74	0.87	0.7	0.83	0.85	\$ 55,352
Census Tract 2017	Los Angeles County	0.23	0.59	0.78	0.82	0.71	0.82	0.72	\$ 64,769
Census Tract 2031	Los Angeles County	0.08	0.53	0.78	0.87	0.66	0.79	0.94	\$ 33,179
Census Tract 2032	Los Angeles County	0.06	0.51	0.78	0.81	0.68	0.76	0.85	\$ 56,161
Census Tract 2038	Los Angeles County	0.02	0.46	0.78	0.84	0.66	0.74	0.85	\$ 45,108
Census Tract 2289	Los Angeles County	0.18	0.32	0.79	0.83	0.35	0.47	0.95	\$ 23,750

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
Census Tract 2291	Los Angeles County	0.04	0.05	0.8	0.89	0.23	0.26	0.86	\$ 46,678
Census Tract 2343	Los Angeles County	0.09	0.19	0.39	0.85	0.14	0.11	0.4	\$ 45,815
Census Tract 2345.01	Los Angeles County	0.16	0.36	0.52	0.86	0.12	0.23	0.8	\$ 54,622
Census Tract 2345.02	Los Angeles County	0.04	0.34	0.52	0.86	0.16	0.22	0.84	\$ 33,500
Census Tract 2346	Los Angeles County	0.09	0.35	0.47	0.89	0.11	0.19	0.8	\$ 55,887
Census Tract 2347	Los Angeles County	0.04	0.36	0.47	0.83	0.11	0.17	0.83	\$ 40,375
Census Tract 2380	Los Angeles County	0.2	0.35	0.72	0.85	0.16	0.35	0.71	\$ 61,773
Census Tract 2382	Los Angeles County	0.05	0.27	0.72	0.85	0.17	0.29	0.74	\$ 45,075
Census Tract 2407	Los Angeles County	0.11	0.07	0.73	0.87	0.19	0.22	0.88	\$ 43,584
Census Tract 2410.01	Los Angeles County	0.05	0.4	0.72	0.87	0.13	0.35	0.84	\$ 41,563
Census Tract 2410.02	Los Angeles County	0.15	0.52	0.68	0.89	0.15	0.44	0.86	\$ 59,116
Census Tract	Los Angeles	0.05	0.11	0.7	0.84	0.12	0.17	0.91	\$ 36,667



Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
2414	County								
Census Tract 2911.10	Los Angeles County	0.08	0.21	0.68	0.86	0.23	0.26	0.81	\$ 43,544
Census Tract 2911.20	Los Angeles County	0.06	0.56	0.68	0.89	0.15	0.47	0.79	\$ 53,393
Census Tract 2911.30	Los Angeles County	0.14	0.6	0.68	0.88	0.15	0.48	0.68	\$ 67,587
Census Tract 2920	Los Angeles County	0.09	0.45	0.63	0.86	0.12	0.31	0.85	\$ 42,135
Census Tract 2932.02	Los Angeles County	0.13	0.26	0.58	0.86	0.12	0.2	0.87	\$ 42,877
Census Tract 2933.02	Los Angeles County	0.2	0.52	0.57	0.86	0.12	0.37	0.72	\$ 83,955
Census Tract 4003.02	Los Angeles County	0.65	0.77	0.84	0.6	0.87	0.91	0.58	\$ 81,853
Census Tract 4006.04	Los Angeles County	0.96	0.91	0.36	0.61	0.97	0.98	0.55	\$ 100,556
Census Tract 4013.12	Los Angeles County	0.66	0.62	0.83	0.6	0.85	0.85	0.56	\$ 74,219
Census Tract 4017.01	Los Angeles County	0.7	0.92	0.44	0.55	0.87	0.87	0.59	\$ 86,856
Census Tract 4017.04	Los Angeles County	0.47	0.82	0.44	0.55	0.89	0.74	0.95	\$ 59,513

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 4024.03	Los Angeles County	0.67	0.78	0.39	0.61	0.84	0.82	0.67	\$ 74,592
Census Tract 4033.12	Los Angeles County	0.59	0.51	0.38	0.62	0.81	0.62	0.55	\$ 77,813
Census Tract 4036	Los Angeles County	0.68	0.5	0.55	0.62	0.87	0.74	0.55	\$ 76,635
Census Tract 4037.03	Los Angeles County	0.59	0.58	0.82	0.6	0.86	0.81	0.69	\$ 85,977
Census Tract 4037.21	Los Angeles County	0.41	0.79	0.83	0.62	0.92	0.92	0.61	\$ 64,628
Census Tract 4037.22	Los Angeles County	0.56	0.44	0.83	0.6	0.92	0.82	0.63	\$ 57,377
Census Tract 4038.01	Los Angeles County	0.51	0.76	0.82	0.6	0.91	0.9	0.62	\$ 73,250
Census Tract 4038.02	Los Angeles County	0.4	0.55	0.83	0.6	0.86	0.79	0.67	\$ 71,591
Census Tract 4040	Los Angeles County	0.2	0.92	0.83	0.62	0.95	0.96	0.69	\$ 84,519
Census Tract 4041	Los Angeles County	0.21	0.91	0.83	0.62	0.94	0.95	0.63	\$ 64,643
Census Tract 4042.02	Los Angeles County	0.64	0.91	0.52	0.6	0.96	0.9	0.69	\$ 68,537
Census Tract	Los Angeles	0.18	0.91	0.82	0.61	0.93	0.95	0.73	\$ 56,115

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
4045.01	County								
Census Tract 4045.03	Los Angeles County	0.18	0.91	0.83	0.62	0.95	0.96	0.76	\$ 76,394
Census Tract 4045.04	Los Angeles County	0.21	0.91	0.83	0.6	0.93	0.95	0.74	\$ 57,206
Census Tract 4046	Los Angeles County	0.77	0.75	0.64	0.6	0.93	0.89	0.72	\$ 72,500
Census Tract 4047.03	Los Angeles County	0.35	0.71	0.72	0.62	0.94	0.86	0.84	\$ 55,455
Census Tract 4053.01	Los Angeles County	0.09	0.78	0.79	0.6	0.95	0.9	0.76	\$ 61,654
Census Tract 4057.02	Los Angeles County	0.14	0.93	0.83	0.6	0.93	0.95	0.71	\$ 83,558
Census Tract 4058	Los Angeles County	0.13	0.93	0.82	0.61	0.95	0.96	0.57	\$ 79,728
Census Tract 4059	Los Angeles County	0.12	0.93	0.83	0.61	0.94	0.96	0.9	\$ 63,672
Census Tract 4060	Los Angeles County	0.14	0.93	0.83	0.61	0.97	0.96	0.5	\$ 79,203
Census Tract 4061.01	Los Angeles County	0.16	0.28	0.83	0.62	0.96	0.72	0.51	\$ 68,514
Census Tract 4066.02	Los Angeles County	0.37	0.71	0.36	0.62	0.83	0.63	0.7	\$ 91,591

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 4069.01	Los Angeles County	0.3	0.86	0.37	0.62	0.87	0.74	0.75	\$ 74,571
Census Tract 4069.02	Los Angeles County	0.44	0.86	0.36	0.62	0.79	0.73	0.7	\$ 62,692
Census Tract 4070.01	Los Angeles County	0.31	0.87	0.57	0.62	0.88	0.84	0.78	\$ 80,592
Census Tract 4070.02	Los Angeles County	0.38	0.86	0.76	0.61	0.82	0.88	0.75	\$ 62,330
Census Tract 4073.01	Los Angeles County	0.36	0.23	0.36	0.62	0.82	0.37	0.7	\$ 84,458
Census Tract 4073.02	Los Angeles County	0.45	0.23	0.35	0.6	0.81	0.41	0.66	\$ 68,158
Census Tract 4075.01	Los Angeles County	0.33	0.23	0.35	0.62	0.82	0.34	0.76	\$ 68,860
Census Tract 4075.02	Los Angeles County	0.37	0.23	0.35	0.61	0.82	0.36	0.57	\$ 78,984
Census Tract 4078.01	Los Angeles County	0.36	0.22	0.36	0.62	0.81	0.37	0.71	\$ 96,620
Census Tract 4081.33	Los Angeles County	0.41	0.17	0.52	0.61	0.81	0.5	0.74	\$ 70,667
Census Tract 4081.37	Los Angeles County	0.23	0.18	0.8	0.61	0.81	0.56	0.73	\$ 70,976
Census Tract	Los Angeles	0.23	0.22	0.77	0.62	0.81	0.55	0.82	\$ 58,594

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
4081.38	County								
Census Tract 4081.41	Los Angeles County	0.26	0.22	0.8	0.61	0.83	0.6	0.75	\$ 75,722
Census Tract 4082.02	Los Angeles County	0.52	0.69	0.44	0.62	0.78	0.68	0.74	\$ 62,583
Census Tract 4082.11	Los Angeles County	0.55	0.48	0.67	0.62	0.81	0.69	0.69	\$ 60,429
Census Tract 4083.01	Los Angeles County	0.45	0.87	0.76	0.62	0.8	0.88	0.84	\$ 67,464
Census Tract 4084.02	Los Angeles County	0.7	0.42	0.4	0.62	0.81	0.63	0.53	\$ 86,667
Census Tract 4085.01	Los Angeles County	0.5	0.37	0.33	0.62	0.82	0.48	0.52	\$ 64,306
Census Tract 4086.26	Los Angeles County	0.65	0.49	0.57	0.61	0.75	0.65	0.58	\$ 81,379
Census Tract 4087.04	Los Angeles County	0.54	0.49	0.77	0.62	0.75	0.72	0.75	\$ 58,281
Census Tract 4087.23	Los Angeles County	0.51	0.49	0.71	0.61	0.77	0.67	0.57	\$ 70,109
Census Tract 4087.24	Los Angeles County	0.4	0.49	0.8	0.62	0.77	0.71	0.83	\$ 41,486
Census Tract 4307.24	Los Angeles County	0.51	0.67	0.36	0.91	0.92	0.86	0.68	\$ 69,215

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 4312	Los Angeles County	0.62	0.91	0.56	0.61	0.91	0.88	0.75	\$ 63,750
Census Tract 4318	Los Angeles County	0.6	0.71	0.74	0.9	0.81	0.92	0.63	\$ 73,548
Census Tract 4322.01	Los Angeles County	0.13	0.61	0.35	0.9	0.77	0.69	0.88	\$ 69,662
Census Tract 4322.02	Los Angeles County	0.19	0.62	0.59	0.9	0.77	0.81	0.65	\$ 66,154
Census Tract 4331.02	Los Angeles County	0.13	0.72	0.75	0.61	0.83	0.83	0.9	\$ 46,800
Census Tract 4335.01	Los Angeles County	0.39	0.72	0.75	0.62	0.75	0.8	0.88	\$ 36,703
Census Tract 4337	Los Angeles County	0.54	0.72	0.75	0.61	0.79	0.81	0.72	\$ 60,724
Census Tract 4338.02	Los Angeles County	0.56	0.71	0.65	0.61	0.77	0.75	0.73	\$ 71,645
Census Tract 4340.03	Los Angeles County	0.46	0.26	0.76	0.62	0.81	0.69	0.89	\$ 53,125
Census Tract 4340.04	Los Angeles County	0.41	0.72	0.75	0.62	0.81	0.82	0.66	\$ 64,443
Census Tract 4609	Los Angeles County	0.46	0.32	0.48	0.91	0.77	0.68	0.56	\$ 79,101
Census Tract	Los Angeles	0.78	0.21	0.36	0.91	0.91	0.85	0.61	\$ 77,569

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
4610	County								
Census Tract 4611	Los Angeles County	0.77	0.21	0.36	0.91	0.86	0.82	0.63	\$ 90,444
Census Tract 4614	Los Angeles County	0.64	0.32	0.49	0.9	0.83	0.8	0.58	\$ 60,435
Census Tract 4615.02	Los Angeles County	0.3	0.32	0.51	0.9	0.77	0.6	0.97	\$ 62,769
Census Tract 4801.02	Los Angeles County	0.07	0.84	0.35	0.92	0.76	0.81	0.56	\$ 75,216
Census Tract 4811.02	Los Angeles County	0.06	0.53	0.35	0.9	0.76	0.63	0.64	\$ 53,024
Census Tract 4811.03	Los Angeles County	0.09	0.53	0.35	0.91	0.76	0.63	0.65	\$ 70,618
Census Tract 4812.01	Los Angeles County	0.03	0.78	0.73	0.9	0.76	0.92	0.51	\$ 75,078
Census Tract 4825.21	Los Angeles County	0.3	0.62	0.33	0.92	0.74	0.67	0.78	\$ 67,295
Census Tract 5004.03	Los Angeles County	0.56	0.6	0.33	0.62	0.78	0.64	0.52	\$ 82,169
Census Tract 5005	Los Angeles County	0.24	0.68	0.74	0.62	0.75	0.77	0.77	\$ 53,500
Census Tract 5008	Los Angeles County	0.33	0.68	0.74	0.62	0.71	0.75	0.67	\$ 66,116

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 5302.02	Los Angeles County	0.37	0.27	0.76	0.91	0.72	0.75	0.52	\$ 72,045
Census Tract 5303.01	Los Angeles County	0.21	0.19	0.78	0.91	0.72	0.68	0.7	\$ 49,018
Census Tract 5303.02	Los Angeles County	0.07	0.19	0.77	0.91	0.73	0.66	0.82	\$ 52,906
Census Tract 5304	Los Angeles County	0.27	0.39	0.78	0.92	0.7	0.77	0.89	\$ 41,686
Census Tract 5305	Los Angeles County	0.09	0.19	0.78	0.92	0.7	0.66	0.83	\$ 44,750
Census Tract 5306.01	Los Angeles County	0.29	0.46	0.78	0.92	0.72	0.81	0.78	\$ 51,719
Census Tract 5306.02	Los Angeles County	0.33	0.44	0.78	0.92	0.71	0.8	0.6	\$ 84,750
Census Tract 5307	Los Angeles County	0.11	0.47	0.78	0.92	0.7	0.81	0.77	\$ 55,855
Census Tract 5308.01	Los Angeles County	0.26	0.46	0.78	0.91	0.68	0.79	0.71	\$ 47,885
Census Tract 5309.01	Los Angeles County	0.07	0.46	0.78	0.92	0.68	0.79	0.73	\$ 52,356
Census Tract 5309.02	Los Angeles County	0.19	0.46	0.78	0.91	0.7	0.8	0.93	\$ 44,722
Census Tract	Los Angeles	0.19	0.37	0.78	0.93	0.71	0.76	0.75	\$ 41,615



Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
5310	County								
Census Tract 5311.01	Los Angeles County	0.07	0.46	0.78	0.91	0.67	0.79	0.93	\$ 44,699
Census Tract 5311.02	Los Angeles County	0.2	0.46	0.78	0.91	0.71	0.8	0.88	\$ 33,512
Census Tract 5312.01	Los Angeles County	0.1	0.45	0.78	0.93	0.64	0.78	0.82	\$ 50,455
Census Tract 5312.02	Los Angeles County	0.07	0.42	0.77	0.93	0.55	0.7	0.75	\$ 48,344
Census Tract 5313.01	Los Angeles County	0.23	0.42	0.75	0.92	0.58	0.71	1	\$ 40,385
Census Tract 5313.02	Los Angeles County	0.07	0.42	0.75	0.92	0.52	0.67	0.87	\$ 41,065
Census Tract 5315.02	Los Angeles County	0.07	0.19	0.74	0.92	0.68	0.63	0.72	\$ 45,404
Census Tract 5315.03	Los Angeles County	0.39	0.37	0.77	0.91	0.73	0.78	0.82	\$ 44,736
Census Tract 5315.04	Los Angeles County	0.12	0.19	0.77	0.93	0.72	0.67	0.79	\$ 48,167
Census Tract 5316.02	Los Angeles County	0.07	0.19	0.74	0.92	0.68	0.63	0.91	\$ 31,681
Census Tract 5316.03	Los Angeles County	0.16	0.19	0.78	0.91	0.71	0.66	0.74	\$ 45,972

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 5316.04	Los Angeles County	0.07	0.19	0.75	0.93	0.71	0.65	0.8	\$ 41,652
Census Tract 5317.01	Los Angeles County	0.07	0.19	0.74	0.93	0.72	0.66	0.77	\$ 42,899
Census Tract 5317.02	Los Angeles County	0.09	0.19	0.74	0.93	0.68	0.63	0.84	\$ 54,470
Census Tract 5318	Los Angeles County	0.14	0.2	0.74	0.92	0.71	0.65	0.86	\$ 48,859
Census Tract 5319.01	Los Angeles County	0.07	0.19	0.74	0.92	0.72	0.65	0.85	\$ 43,944
Census Tract 5319.02	Los Angeles County	0.17	0.2	0.74	0.91	0.72	0.65	0.71	\$ 63,235
Census Tract 5323.02	Los Angeles County	0.13	0.41	0.75	0.91	0.56	0.69	0.88	\$ 49,219
Census Tract 5323.03	Los Angeles County	0.11	0.4	0.74	0.91	0.67	0.74	0.7	\$ 55,810
Census Tract 5324	Los Angeles County	0.1	0.49	0.76	0.92	0.39	0.64	0.27	\$ 42,188
Census Tract 5327	Los Angeles County	0.07	0.12	0.8	0.91	0.39	0.41	0.91	\$ 46,125
Census Tract 5328	Los Angeles County	0.12	0.1	0.8	0.91	0.24	0.32	0.88	\$ 40,306
Census Tract	Los Angeles	0.07	0.1	0.79	0.91	0.25	0.3	0.86	\$ 38,682

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
5329	County								
Census Tract 5330.01	Los Angeles County	0.07	0.1	0.79	0.91	0.38	0.39	0.84	\$ 38,232
Census Tract 5330.02	Los Angeles County	0.07	0.1	0.78	0.92	0.39	0.4	0.82	\$ 38,065
Census Tract 5333	Los Angeles County	0.07	0.79	0.75	0.93	0.4	0.81	0.87	\$ 37,841
Census Tract 5345.01	Los Angeles County	0.08	0.03	0.72	0.93	0.4	0.35	0.88	\$ 55,811
Census Tract 5347	Los Angeles County	0.08	0.03	0.72	0.93	0.4	0.35	0.64	\$ 71,042
Census Tract 5348.02	Los Angeles County	0.08	0.03	0.72	0.91	0.38	0.33	0.82	\$ 61,629
Census Tract 5348.03	Los Angeles County	0.11	0.05	0.72	0.93	0.39	0.36	0.81	\$ 39,432
Census Tract 5348.04	Los Angeles County	0.08	0.05	0.72	0.93	0.39	0.35	0.66	\$ 51,475
Census Tract 5349	Los Angeles County	0.17	0.09	0.73	0.93	0.39	0.41	0.73	\$ 59,333
Census Tract 5350.01	Los Angeles County	0.08	0.1	0.73	0.92	0.22	0.26	0.8	\$ 41,969
Census Tract 5350.02	Los Angeles County	0.08	0.1	0.73	0.93	0.4	0.38	0.93	\$ 39,960

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 5351.01	Los Angeles County	0.15	0.1	0.73	0.92	0.35	0.36	0.93	\$ 39,669
Census Tract 5351.02	Los Angeles County	0.12	0.07	0.73	0.93	0.33	0.34	0.88	\$ 56,250
Census Tract 5352	Los Angeles County	0.23	0.07	0.73	0.93	0.27	0.37	0.9	\$ 52,011
Census Tract 5353	Los Angeles County	0.08	0.09	0.73	0.91	0.38	0.34	0.81	\$ 43,000
Census Tract 5354	Los Angeles County	0.12	0.07	0.73	0.92	0.39	0.37	0.92	\$ 44,205
Census Tract 5355.01	Los Angeles County	0.08	0.23	0.72	0.92	0.39	0.45	0.91	\$ 41,599
Census Tract 5355.02	Los Angeles County	0.08	0.24	0.71	0.93	0.4	0.46	0.95	\$ 52,059
Census Tract 5356.03	Los Angeles County	0.1	0.26	0.72	0.93	0.39	0.47	0.92	\$ 43,073
Census Tract 5356.04	Los Angeles County	0.08	0.26	0.72	0.92	0.39	0.47	0.74	\$ 51,172
Census Tract 5356.06	Los Angeles County	0.08	0.26	0.72	0.93	0.41	0.49	0.96	\$ 45,208
Census Tract 5404	Los Angeles County	0.09	0.63	0.73	0.93	0.27	0.64	0.97	\$ 52,045
Census Tract	Los Angeles	0.18	0.55	0.67	0.93	0.27	0.55	0.98	\$ 31,875

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
5406	County								
Census Tract 5407	Los Angeles County	0.18	0.62	0.68	0.93	0.25	0.59	0.85	\$ 44,623
Census Tract 5408	Los Angeles County	0.34	0.61	0.63	0.92	0.18	0.6	0.67	\$ 66,964
Census Tract 5409.01	Los Angeles County	0.21	0.11	0.65	0.93	0.19	0.27	0.92	\$ 40,033
Census Tract 5409.02	Los Angeles County	0.16	0.11	0.65	0.94	0.19	0.24	0.79	\$ 59,907
Census Tract 5410.01	Los Angeles County	0.1	0.76	0.65	0.92	0.16	0.6	0.81	\$ 50,060
Census Tract 5411	Los Angeles County	0.17	0.34	0.63	0.94	0.11	0.32	0.96	\$ 59,375
Census Tract 5412	Los Angeles County	0.26	0.51	0.63	0.92	0.19	0.49	0.91	\$ 82,125
Census Tract 5413	Los Angeles County	0.23	0.41	0.63	0.92	0.18	0.39	0.8	\$ 48,701
Census Tract 5414	Los Angeles County	0.14	0.41	0.63	0.94	0.29	0.45	0.94	\$ 46,563
Census Tract 5415	Los Angeles County	0.13	0.41	0.65	0.93	0.27	0.44	0.88	\$ 51,024
Census Tract 5420	Los Angeles County	0.18	0.11	0.67	0.93	0.28	0.31	0.88	\$ 55,481

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
Census Tract 5426.01	Los Angeles County	0.11	0.4	0.65	0.94	0.29	0.46	0.91	\$ 37,589
Census Tract 5430	Los Angeles County	0.28	0.18	0.63	0.93	0.19	0.29	0.74	\$ 52,333
Census Tract 5433.05	Los Angeles County	0.14	0.12	0.64	0.94	0.29	0.28	0.57	\$ 71,750
Census Tract 5435.01	Los Angeles County	0.15	0.46	0.63	0.93	0.17	0.39	0.84	\$ 72,548
Census Tract 5435.02	Los Angeles County	0.1	0.57	0.63	0.92	0.14	0.45	0.75	\$ 82,132
Census Tract 5435.03	Los Angeles County	0.1	0.57	0.63	0.92	0.14	0.45	0.67	\$ 74,375
Census Tract 5436.02	Los Angeles County	0.12	0.56	0.57	0.92	0.14	0.4	0.62	\$ 71,582
Census Tract 6001	Los Angeles County	0.11	0.22	0.73	0.95	0.26	0.37	0.92	\$ 35,000
Census Tract 6002.01	Los Angeles County	0.11	0.26	0.73	0.93	0.24	0.37	0.96	\$ 35,081
Census Tract 6002.02	Los Angeles County	0.11	0.28	0.73	0.95	0.26	0.41	0.98	\$ 34,819
Census Tract 6003.02	Los Angeles County	0.25	0.35	0.73	0.95	0.23	0.46	0.58	\$ 57,188
Census Tract	Los Angeles	0.11	0.22	0.73	0.95	0.23	0.35	0.9	\$ 21,429

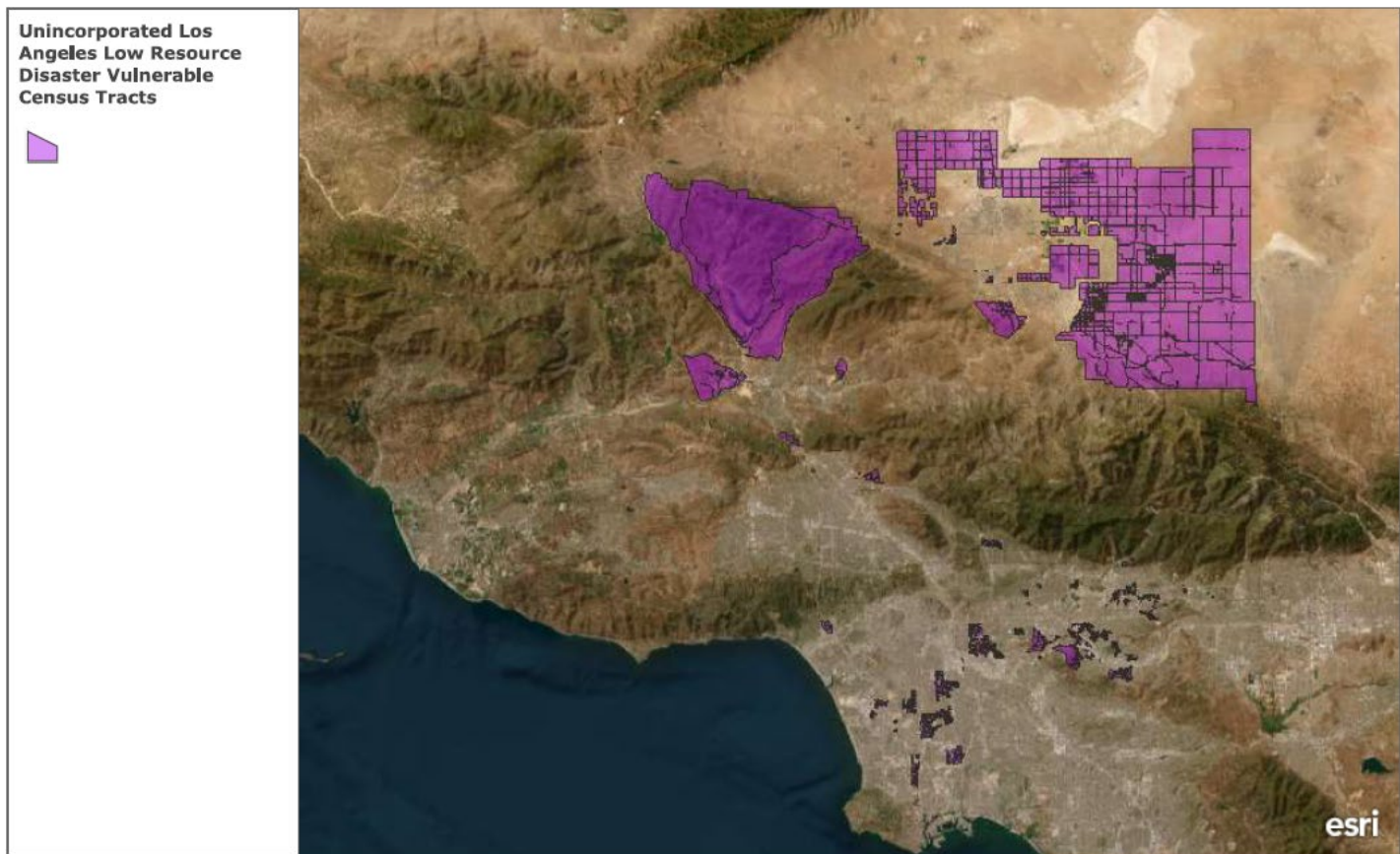
Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
6003.03	County								
Census Tract 6003.04	Los Angeles County	0.11	0.22	0.73	0.93	0.19	0.32	0.84	\$ 33,262
Census Tract 6004	Los Angeles County	0.14	0.35	0.73	0.93	0.19	0.4	0.85	\$ 64,625
Census Tract 6015.01	Los Angeles County	0.16	0.41	0.73	0.93	0.17	0.44	0.79	\$ 42,794
Census Tract 6015.02	Los Angeles County	0.17	0.42	0.73	0.93	0.17	0.44	0.91	\$ 59,239
Census Tract 6016	Los Angeles County	0.29	0.42	0.73	0.93	0.18	0.52	0.8	\$ 54,607
Census Tract 6017	Los Angeles County	0.18	0.42	0.73	0.93	0.18	0.45	0.9	\$ 39,013
Census Tract 6018.01	Los Angeles County	0.16	0.42	0.73	0.93	0.18	0.45	0.74	\$ 40,870
Census Tract 6018.02	Los Angeles County	0.11	0.42	0.73	0.95	0.2	0.49	0.87	\$ 63,692
Census Tract 6022	Los Angeles County	0.22	0.41	0.7	0.93	0.18	0.45	0.64	\$ 80,077
Census Tract 6025.09	Los Angeles County	0.13	0.44	0.68	0.96	0.22	0.47	0.74	\$ 68,750
Census Tract 6028.01	Los Angeles County	0.3	0.29	0.72	0.94	0.19	0.43	0.96	\$ 38,438

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
Census Tract 6037.04	Los Angeles County	0.28	0.91	0.68	0.94	0.19	0.78	0.86	\$ 52,590
Census Tract 7011	Los Angeles County	0.43	0.8	0.39	0.95	0.35	0.64	0.87	\$ 45,536
Census Tract 9001.02	Los Angeles County	0.74	0.8	0.31	0.67	0.79	0.86	0.7	\$ 33,750
Census Tract 9001.03	Los Angeles County	0.66	0.72	0.28	0.66	0.8	0.8	0.67	\$ 38,188
Census Tract 9001.04	Los Angeles County	0.82	0.9	0.54	0.67	0.81	0.93	0.73	\$ 48,444
Census Tract 9002.01	Los Angeles County	0.71	0.73	0.32	0.99	0.82	0.94	0.58	\$ 49,625
Census Tract 9003	Los Angeles County	0.64	0.69	0.38	1	0.84	0.92	0.65	\$ 56,757
Census Tract 9006.02	Los Angeles County	0.43	0.66	0.43	0.67	0.83	0.67	0.76	\$ 36,000
Census Tract 9009	Los Angeles County	0.77	0.71	0.39	1	0.8	0.95	0.38	\$ 54,066
Census Tract 9011.01	Los Angeles County	0.51	0.74	0.3	0.76	0.81	0.79	0.61	\$ 74,743
Census Tract 9012.05	Los Angeles County	0.94	0.74	0.31	0.97	0.79	0.98	0.53	\$ 76,971
Census Tract	Los Angeles	0.74	0.91	0.52	0.67	0.82	0.92	0.8	\$ 46,576



Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_over_all_pct	Median Household Income
9100.01	County								
Census Tract 9100.02	Los Angeles County	0.85	0.75	0.51	0.66	0.8	0.89	0.72	\$ 46,875
Census Tract 9101.01	Los Angeles County	0.73	0.4	0.51	0.67	0.82	0.74	0.9	\$ 44,091
Census Tract 9102.01	Los Angeles County	0.76	0.23	0.51	0.68	0.83	0.77	0.78	\$ 57,593
Census Tract 9102.05	Los Angeles County	0.94	0.25	0.32	0.67	0.91	0.8	0.51	\$ 65,431
Census Tract 9102.07	Los Angeles County	0.74	0.3	0.36	0.67	0.83	0.66	0.53	\$ 95,821
Census Tract 9102.08	Los Angeles County	0.67	0.3	0.52	0.67	0.83	0.72	0.55	\$ 72,619
Census Tract 9104.04	Los Angeles County	0.8	0.14	0.39	0.68	0.82	0.72	0.62	\$ 58,952
Census Tract 9105.01	Los Angeles County	0.65	0.14	0.53	0.67	0.81	0.7	0.96	\$ 20,608
Census Tract 9107.06	Los Angeles County	0.77	0.57	0.56	0.67	0.82	0.79	0.77	\$ 60,094
Census Tract 9107.07	Los Angeles County	0.89	0.14	0.56	0.67	0.81	0.84	0.78	\$ 53,646
Census Tract 9110.01	Los Angeles County	0.97	0.62	0.4	0.67	0.88	0.91	0.75	\$ 53,830

Census Tract	County	Fire _pct	Flood _pct	Quake _pct	Drought _pct	Heat _pct	Total_hazard _pct	SVI_over all _pct	Median Household Income
Census Tract 9200.33	Los Angeles County	0.98	0.93	0.43	0.97	0.95	1	0.6	\$ 61,250
Census Tract 9200.34	Los Angeles County	0.95	0.93	0.45	0.97	0.93	1	0.56	\$ 85,637
Census Tract 9201.02	Los Angeles County	0.99	0.8	0.29	0.97	0.98	1	0.72	\$ 90,214
Census Tract 9201.06	Los Angeles County	0.99	0.7	0.44	0.76	0.95	0.97	0.51	\$ 89,087
Census Tract 9203.12	Los Angeles County	0.87	0.67	0.55	0.96	0.95	0.98	0.58	\$ 79,241



### 7.4 Shasta County

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 101	Shasta County	0.67	0.95	0.06	0.15	0.61	0.52	0.70	\$ 21,411
Census Tract 102	Shasta County	0.61	0.95	0.13	0.15	0.61	0.49	0.51	\$ 37,455
Census Tract 104	Shasta County	0.74	0.95	0.11	0.16	0.61	0.57	0.48	\$ 47,650
Census Tract 105	Shasta County	0.74	0.95	0.07	0.15	0.61	0.57	0.56	\$ 45,220

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
Census Tract 106.02	Shasta County	0.82	0.95	0.11	0.15	0.61	0.62	0.43	\$ 59,853
Census Tract 107.04	Shasta County	0.82	0.69	0.06	0.15	0.61	0.45	0.72	\$ 32,130
Census Tract 108.06	Shasta County	0.87	0.71	0.10	0.15	0.63	0.51	0.50	\$ 41,184
Census Tract 108.07	Shasta County	0.86	0.69	0.21	0.15	0.63	0.53	0.50	\$ 74,708
Census Tract 110.02	Shasta County	0.86	0.95	0.07	0.23	0.61	0.70	0.59	\$ 51,036
Census Tract 116	Shasta County	0.95	0.72	0.06	0.23	0.61	0.62	0.57	\$ 41,887
Census Tract 117.01	Shasta County	0.86	0.79	0.20	0.15	0.63	0.59	0.52	\$ 74,375
Census Tract 117.02	Shasta County	0.87	0.79	0.13	0.05	0.63	0.55	0.64	\$ 34,899
Census Tract 117.03	Shasta County	0.94	0.79	0.13	0.06	0.63	0.60	0.55	\$ 50,435
Census Tract 118.03	Shasta County	0.97	0.70	0.09	0.27	0.59	0.62	0.42	\$ 47,375
Census Tract 120	Shasta County	0.87	0.97	0.20	0.23	0.63	0.73	0.73	\$ 37,738
Census Tract	Shasta	0.82	0.97	0.23	0.23	0.63	0.70	0.50	\$ 53,289

Census Tract	County	Fire_pct	Flood_pct	Quake_pct	Drought_pct	Heat_pct	Total_hazard_pct	SVI_overall_pct	Median Household Income
121.01	County								
Census Tract 121.02	Shasta County	0.85	0.97	0.23	0.23	0.63	0.72	0.60	\$ 36,017
Census Tract 122	Shasta County	0.91	0.92	0.22	0.22	0.63	0.71	0.64	\$ 41,800
Census Tract 123.01	Shasta County	0.88	0.97	0.21	0.23	0.62	0.73	0.66	\$ 42,389
Census Tract 123.02	Shasta County	0.98	0.97	0.16	0.18	0.62	0.75	0.54	\$ 63,661
Census Tract 124	Shasta County	1.00	0.85	0.06	0.23	0.53	0.68	0.43	\$ 56,250
Census Tract 125	Shasta County	0.98	0.81	0.02	0.07	0.46	0.49	0.48	\$ 49,265
Census Tract 126.01	Shasta County	0.99	0.73	0.02	0.31	0.59	0.68	0.47	\$ 58,000
Census Tract 126.03	Shasta County	0.96	0.86	0.07	0.32	0.58	0.73	0.30	\$ 50,722
Census Tract 126.04	Shasta County	0.98	0.72	0.05	0.32	0.61	0.68	0.43	\$ 53,036
Census Tract 127.01	Shasta County	0.98	0.93	0.03	0.32	0.52	0.75	0.73	\$ 47,408
Census Tract 127.02	Shasta County	0.96	0.90	0.03	0.32	0.45	0.68	0.48	\$ 50,264



## 7.5 Data Sources

- OES Hazard Risk and Social Vulnerability Heat Map Dashboard (Update) (arcgis.com)
- Cal OES Dashboard Export
  - Dataset includes: Hazard exposure data (total exposure, wildfires, flooding, earthquakes) Social vulnerability (CDC Social Vulnerability Index; median household income to median statewide household income ratio)
- CDC/ATSDR SVI Data and Documentation Download | Place and Health | ATSDR
  - Dataset includes: Poverty rate, other SVI inputs (race, elderly, disability, mobile homes)
- Cal Enviroscreen 4.0
  - Environmental justice dataset, with environmental impacts, social vulnerability factors, and disadvantaged communities' designation

- Census tract-level dataset; some overlap with the SVI Data
- Statewide Affordable Housing Opportunities Sites ([arcgis.com](http://arcgis.com))
  - Identifies eligible sites for the state excess lands program

# 8. Appendix D: Tribal Lands Tracts and Maps

## 8.1 Butte County

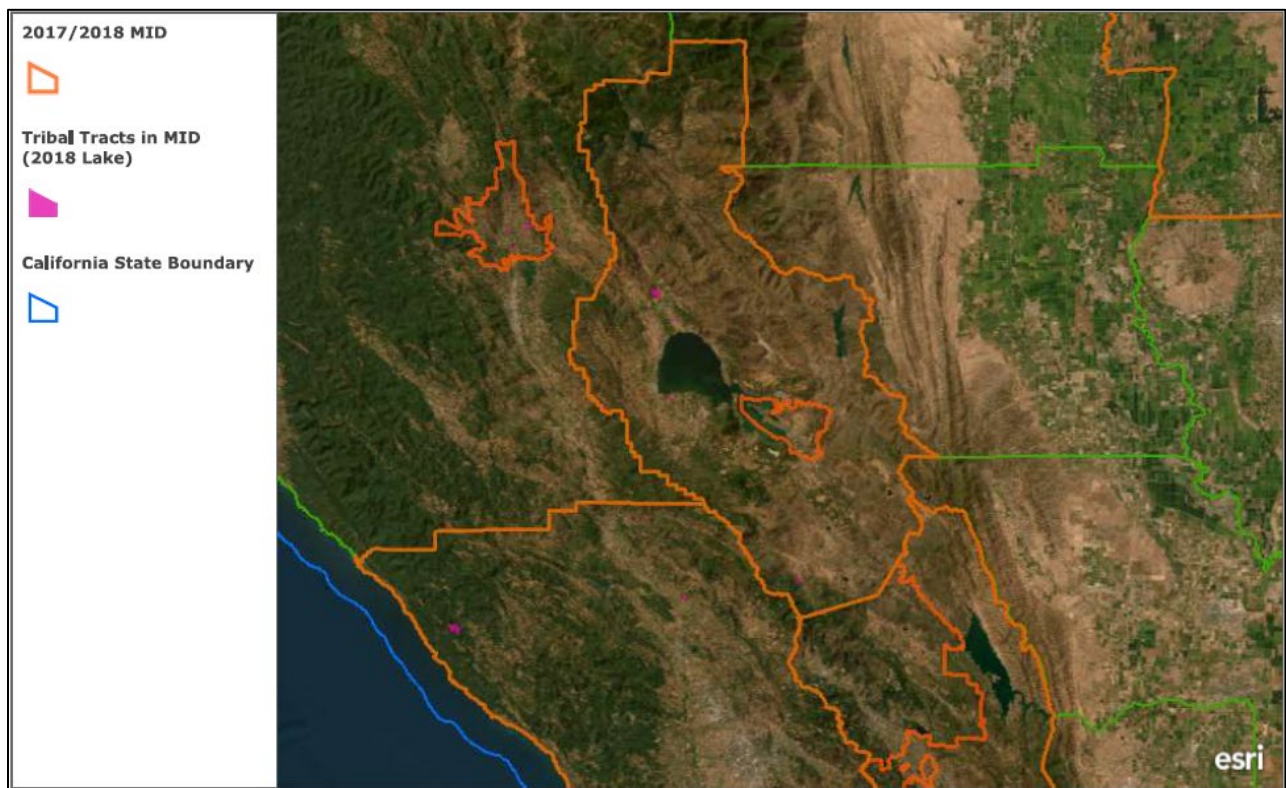
County	Tribal Tracts
Butte County	2340
Butte County	1055
Butte County	200





## 8.2 Lake County

County	Tribal Tracts
Lake County	275
Lake County	4430
Lake County	4030
Lake County	3195
Lake County	2255
Lake County	1515



### 8.3 Shasta County

County	Tribal Tracts
Shasta County	2330
Shasta County	2835
Shasta County	3185
Shasta County	3095
Shasta County	215

