



CDBG, HOME, CDBG-CV Technical Assistance Workshop FY 2022-2023 Funding

JANUARY 12, 2022

Welcome and Introductions

- Rhonda Coffman, Assistant Community Development Manager
- Valerie Johnson, Community Development Associate
- Veronica Ortiz-De Anda, Community Development Associate
- Chuck Mottern, Homeless Services Funding Coordinator
- Kathleen Kane, Assistant Executive Director

Ground Rules and Participation

- This meeting is being recorded. Please be mindful of what you say.
- **Hate speech, derogatory remarks, deliberate disruptions and other forms of behavior designed to intimidate others or incite violence will not be tolerated.**
- Please change your Zoom identification to show your name and organization, e.g. “Mary Smith, Affordable Housing, Inc.”
- Please raise your hand to indicate that you would like to ask a question. If you are calling in, you may do this by pressing *9. The meeting host will unmute you and invite you to speak.
- When called to speak, please first state your first and last name and the organization you are representing. For example *“Mary Smith of Affordable Housing, Inc. My question is...”*
- Please hold questions until the end of the presentation unless it relates to a technical issue (e.g. sound, etc.)

Agenda

- FY 2022-2023 NOFA
- Consolidated Plan
- Funding Priorities
- Eligible Activities
- Requirements
- Applications
- Questions
- Wrap Up

Acronyms

- NOFA: Notice of Funding Availability
- CDBG: Community Development Block Grant
- HOME: HOME Investment Partnership Program
- ESG: Emergency Solutions Grant
- HUD: U.S. Department of Housing and Urban Development
- CDC: Sonoma County Community Development Commission
- CD Committee: Community Development Committee
- CTAC: Cities and Towns Advisory Committee

NOFA – Funds Available

Fund Source	FY 2022-23 Action Plan	FY 2021-22 Action Plan Substantial Amendment
Community Development Block Grant (CDBG)	\$1,206,948 (estimated)	
CDBG - Public Services set aside	\$278,526 (estimated)	
HOME Investment Partnerships Program (HOME)	\$652,201 (estimated)	\$536,605
HOME - Community Housing Development Organizations (CHDO) set aside	Insert graphic?? \$150,441 (estimated)	\$123,811
CDBG - Coronavirus Aid, Relief and Economic Security Act (CARES Act), also known as CDBG-CV		\$1,483,473 <i>\$53,398 also available from reprogrammed FY2020 CDBG-CV</i>

Consolidated Plan / Action Plan

- 5 year Consolidated Plan required by HUD in order to receive CDBG, HOME, and ESG funds.
 - *Federal ESG funds are awarded through a process governed by the Sonoma County Continuum of Care (CoC), the governance structure for Sonoma County's homeless system of care.*
- Consolidated Plan includes goals and specific objectives for the 5 years and One-Year Action Plans for the use of CDBG, HOME, and ESG funds during each fiscal year.
- The goals and objectives are developed through a citizen participation process conducted concurrently with the first Action Plan's CDBG, HOME, and ESG funding approval process.
- The Consolidated Plan serves the following four functions:
 - A planning document for Sonoma County, which builds on a participatory process.
 - A strategy to be followed in carrying out HUD programs.
 - An action plan that provides a basis for assessing performance.
 - A required element of the annual application for federal funds under HUD's CDBG, HOME, and ESG programs.

Urban County

- The Community Development Commission administers United States Department of Housing and Urban Development (HUD) CDBG, HOME and ESG funds on behalf of the County of Sonoma, and the following cities and towns (collectively, the “Urban County”):
 - Town of Windsor
 - Cloverdale
 - Cotati
 - Healdsburg
 - Rohnert Park
 - Sebastopol
 - Sonoma

- *The cities of Santa Rosa and Petaluma, although located within the boundaries of Sonoma County, each qualify as separate entitlement jurisdictions and administer their respective HUD funding allocations*

FY 2022-2023 Priorities

- The CDBG & HOME Funding Policies further the five-year goals set out in the Consolidated Plan.
- Funds will be recommended to the most competitive proposals that adhere to the basic Threshold Criteria and rank well under the Selection Criteria found in the FY 2022-2023 CDBG & HOME Funding Policies and CDBG-CV Addendum.
- The Urban County's Consolidated Plan contains the following broad goals:
 - Affordable Housing: Increase and preserve the housing stock that is affordable, safe, and accessible for low-, very low-, and extremely-low families and individuals, including those with special needs and those who are homeless or at imminent risk of homelessness.
 - Homelessness: Promote effective and proven strategies for homelessness prevention and intervention countywide.
 - Non-Housing Community Development: a) Assist in creating and/or replacing infrastructure systems and public facilities that meet the needs of lower-income people, people with disabilities, and other special needs subpopulations county-wide; b) Promote the well-being and economic integration of lower-income persons through non-housing services, self-sufficiency programs, job training, and economic development assistance; and c) Promote Fair Housing by investing in services which assist low-income tenants with fair housing complaints, reasonable accommodations and eviction defense, each of which enables residents to remain in their home or extend their period of housing.

CDBG – Eligible Activities



CDBG

- Affordable housing projects
- Non-housing capital projects
- Microenterprise assistance

CDBG - Public Services set aside

- Fair housing activities

HOME – Eligible Activities



HOME

- Development and preservation of affordable rental housing
- Tenant based rental assistance

HOME - Community Housing Development Organizations (CHDO) set aside

- CHDO rental housing development
- CHDO rental housing preservation

CDBG-CV Eligible Activities



Eligible activities must also demonstrate they will prevent, prepare for, or respond to Coronavirus:

- Acquisition of real property
- Housing related activities
- Microenterprise assistance
- Public facility improvements
- Public services

Other Requirements

- The 15% maximum grant set aside for Public Services is waived by statute
- Public Services is not limited to Fair Housing activities
- All other CDBG regulations remain in effect
- Duplication of benefits not permitted (e.g. when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose)

Requirements

- National Objectives: Low and moderate income beneficiaries
- Environmental Review: NEPA (and CEQA for certain projects)
- Davis Bacon: Prevailing Wages
- Section 3: Requires that recipients, to the greatest extent possible, provide training, employment, contracting and other economic opportunities to low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.
- Article 34
- Resolutions
- Timeliness: Proposals should be submitted for ready-to-proceed projects. Performance period is generally July 1, 2022 to June 30, 2023. Contact staff for more information on projects that will span more than one fiscal year
- Capacity
- Affirmatively Further Fair Housing (AFFH)
- Match (HOME funds)

Environmental Review - NEPA

National Environmental Policy Act (NEPA)

- Award of federal funds requires compliance with the NEPA and HUD's implementing regulations at 24 CFR 58.
- Applicants are prohibited from undertaking, committing, or expending any funds (including non-federal funds) to undertake any physical or choice-limiting actions on the project site prior to an environmental determination.
- Physical and choice-limiting actions include, but are not limited to, property acquisition, demolition, movement, rehabilitation, conversion, repair, or construction. This prohibition applies regardless of whether federal or non-federal funds are used for such actions.
- Any Options to Purchase Property should be contingent upon a NEPA being completed and approved by the Sonoma County Community Development Commission and accepted by HUD.
- Award recommendations are conditional upon the successful completion of the project's environmental review and final approval from HUD.

Environmental Review - CEQA

California Environmental Quality Act (CEQA)

- If applicable, projects must receive local environmental clearance in accordance with the requirements of CEQA.
- If the project is located in the County jurisdiction, the Commission will request the CEQA status from Permit and Resource Management Department (Permit Sonoma) when reviewing the funding application.
- If the project is not located in the County jurisdiction, the applicant must submit a copy of the CEQA clearance to the Commission prior to a funding commitment being made.

Construction Projects - Prevailing Wages

- Federal Labor Standards requirements include the Davis-Bacon Act, Copeland “Anti-Kickback Act,” and Contract Work Hours and Safety Standards Act; referred to as “Davis-Bacon and Related Acts” or DBRA.
- For certain projects funded with CDBG and HOME, workers must be paid the higher of California prevailing wage rates or Federal Davis-Bacon wage rates. These wage rates are triggered under the following circumstances:
 - Non-housing construction projects over \$2,000
 - CDBG-funded housing construction or rehabilitation of properties with eight (8) or more total residential units
 - Any eligible use of HOME funds – including land acquisition, in which there are twelve (12) or more HOME-assisted units in the same project
 - Housing projects that include 8 or more Project Based Vouchers
- State prevailing wage rates and Davis Bacon wage rates are established by specific trades (examples: plumbers, electricians, carpenters, laborers, etc.) and are based on either a "residential" or “commercial" rate. Generally, these wages are higher than accepted local rates. This may increase the cost of the project.
- **Any project for which California prevailing wage rates or Davis-Bacon wage rates are triggered should work closely with Commission staff prior to going out to bid or commencing any project work to ensure compliance and eligibility for funding.**

Threshold Criteria

Applications must meet the following criteria to be eligible for consideration:

1. Complete application
2. Proposed project is an eligible activity per CDBG or HOME regulations
3. If applying for CDBG funds, proposed project meets a CDBG National Objective
4. Project Affirmatively Furthers Fair Housing
5. Applicant is an eligible applicant/subrecipient/recipient per CDBG/HOME regulations
6. Applicant demonstrates administrative capacity to effectively deliver the proposed project
7. *For homelessness-related projects only:* Project significantly impacts HEARTH system-wide performance measures (e.g. shorten the length of homeless episodes, decrease returns to homelessness, increase placements in permanent housing).
8. *For homelessness-related projects only:* Project adheres to the principles of Housing First and participates in Coordinated Entry. Homeless-serving housing project accepts referrals from Coordinated Entry
9. Project located in a member jurisdiction of the Urban County

Selection Criteria

- **Projects will be ranked on how well they meet priorities:**

- Creation or Preservation of Affordable Housing
- Infrastructure or Public Facility Supporting creation or preservation of affordable housing
- Infrastructure or Public Facility supporting low or moderate-income populations

- **Other Goals**

- Projects that prevent displacement in high opportunity areas
- Projects that alleviate the impact of climate change on low-income populations
- Readiness to Proceed
- Need
- Financial Feasibility
- Outcomes
- Leverage
- Development Experience
- Local Support
- Income and Population Targeting
- Housing projects with deep income targeting and special needs populations

Important Dates

Timelines - Key Dates	Item
Friday, January 21, 2:00 p.m.	Funding applications are due at the Commission Office no later than 2:00 p.m.
Wednesday, February 16, 2022 10:00 a.m.	CD Committee & CTAC receive initial list of FY 2022-2023 and FY 2021-2022 funding applications
Wednesday, March 16, 2022 10:00 a.m.	Workshop for CD Committee & CTAC application review, take testimony and provide feedback for funding applications. All applicants must be present to be considered for funding.
Friday, April 1, 2022	Draft FY2022-23 Action Plan and draft FY2021-22 Action Plan Substantial Amendment published for a 30-day public comment period. Insert graphic ??
Wednesday, April 20, 2022 10:00 a.m.	CD Committee & CTAC concurrent public hearings to make final funding recommendations for the draft FY2022-23 Action Plan and draft FY2021-22 Action Plan Substantial Amendment. All applicants must be present to be considered for funding.
Tuesday, May 3, 2022 (Date subject to change)	Board of Supervisors to discuss and adopt the FY 2022-2023 Action Plan and FY 2021-22 Action Plan Substantial Amendment.

Application Submittal Requirements

- Type of Application (select the applicable one(s) for your project):
 - CDBG, HOME, CDBG-CV Affordable Housing & Capital Projects Application
 - CDBG, CDBG-CV Economic Development Application
 - CDBG, CDBG-CV Fair Housing Services & Housing Justice Programs Application
 - CDBG-CV Public Services Application

- Hard Copy Version:
 - Keep to a minimum
 - Must be on letter-sized paper (legal size folded to letter-size allowed for maps and plans)
 - Materials submitted in a different format and/or excessive supplemental materials will not be reproduced for review by the committees and Board of Supervisors.
 - Do not double side the application pages, alter the pagination, or change the order of the questions/sections.
 - Submit one hard copy version of the application and attachments (unbound), including the certifications with original signatures, in a 3-ring binder.

- Electronic Version:
 - Submit a flash drive that contains an electronic version of the application.



Resources

- Information related to the NOFA and applications materials are available on the following web page:

<https://sonomacounty.ca.gov/CDC/Housing-and-Neighborhood-Investment/Funding-Opportunities/News/NOFA-for-CDBG-HOME-and-CDBG-CV-Now-Available/>

- Consolidated Plan

<https://sonomacounty.ca.gov/CDC/Plans-Policies-and-Reports/PDFs/2020-Consolidated-Plan/>

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