

2017 CDBG NOFA Frequently Asked Questions

1. **Question:** On the Supplemental Form, a jurisdiction can apply for a Business Assistance or Microenterprise Program; can a jurisdiction apply for a combo program as a supplemental activity as well?

Answer: Yes, an Economic Development Business Assistance and Microenterprise Assistance combo program is eligible as one supplemental activity.

2. **Question:** In this 2017 NOFA an applicant can apply for only two activities. We would like to apply for a PTA in addition to the two activities. Does a PTA Project count as one of the activities or can it be *in addition* to the two activities?

Answer: For grant funds, jurisdictions may submit one application for one Planning Activity (PTA) and up to two non-PTA activities. Activity Limits will also be clarified in the upcoming NOFA Amendment #1.

3. **Question:** Does a jurisdiction need to include the exact dollar amount in the public notice or is an “up to” amount acceptable?

Answer: The hearing notice for submittal of the application may have an “up to amount” as long as the amount is the same or exceeds the actual amount requested in the application.

4. **Question:** If a jurisdiction is eligible to apply for a waiver for a project under the Community Development allocation but may also be eligible to apply for another waiver on a colonias (set aside funds) project allocation would one waiver cover both funding allocations or would a waiver need to be submitted for each allocation?

Answer: One form will not cover two project waiver requests. A waiver would be required for each allocation provided *both* projects are “shovel ready” and comply with the Readiness criteria and Special Conditions as defined in the NOFA Appendix N.

5. **Question:** We would like to submit a grant application for a combined Fire and Sheriff Substation in an unincorporated area however; I could not find verification in the NOFA (Public Facilities page 36) that this is an eligible activity. There is a document on the HUD website entitled “Public Facilities and Improvements Eligibility Criteria” that indicates our potential project is eligible according to HUD Chapter 2 pages 2-11 & 2-12). Please confirm that combined Fire and Sheriff Substations are eligible under this

2017 CDBG NOFA Frequently Asked Questions

NOFA per the attached reference.

<https://search.usa.gov/search?affiliate=housingandurbandevelopment&query=CDBG+eligible+activities>

Answer: Yes, a combined Fire and Sheriff Substation is an eligible activity for CDBG funding. Please refer to the updated version of the *Guide to National Objectives and Eligible Activities* Chapter 2, page 2-8 and 2-9, which confirms this.

6. **Question:** In the request for Waiver of the 50% Expenditure Rule, page N-2 talks about Preliminary Project Plans. There is no definition or percentage of completion listed in section A-4. Does this mean that if a project has 60% completed plans they would be eligible over a 30% completed plans? Can you clarify what level/percentage of preliminary project plans is expected for consideration?

Answer: A 60% complete plan does not get priority over a 30% completed plan. The request for waiver does not require preliminary plans to be completed to a specific percentage. Preliminary plans must be signed and stamped by an architect or engineer to receive the readiness points.

7. **Question:** Can you tell me if there is a maximum GA on a public facilities activity application? Does the \$100,000 maximum on ED also apply to public facility activity?

Answer: GA up to 7.5% is allowable for each applied activity, including public facilities. The \$100,000 maximum does not apply to a public facility project. Up to 7.5% is automatically calculated when you insert your activity budget in the 2017 CDBG Application Summary.

For ED OTC, the GA is 7.5% not to exceed \$100,000 without approval from HCD as stated on page 13 of the 2017 CDBG NOFA.

8. **Question:** Is a non-profit organization allowed to apply directly or must it be the jurisdiction in which the project resides?

Answer: A non-profit is not an eligible entity to apply for CDBG non-entitlement program funds. Only cities under 50,000 population and counties under 200,000 population are eligible applicants.

2017 CDBG NOFA Frequently Asked Questions

- 9. Question:** If a City receives its own CDBG funds and our project is located in that City, can we still apply for State CDBG funds?

Answer: A project located in an entitlement jurisdiction is not eligible to apply for additional CDBG funding through HCD.

- 10. Question:** Is an Emergency Shelter Rehabilitation Project considered a "Public Improvement Project"? If not, what category would this type of use fall under?

Answer: An emergency shelter rehabilitation is an eligible "Public Facility" activity. It is not considered a Public Improvement Project.

- 11. Question:** Can you please provide the link to the exact webpage for the Excluded Parties List System to check for debarment? The link is not opening to the website.

Answer: The 2017 CDBG NOFA was reposted on the Department's website and most of the links are now working. However, to get to the Excluded Parties List System you will need to enter or copy and paste the link below:

<https://www.sam.gov/portal/SAM/##11>

2017 CDBG NOFA Frequently Asked Questions

12. Question: Regarding State Objective points, of the two categories Disaster Resiliency and Fair Housing do we choose one category and submit our accomplishments for the maximum 100 points or can we get 50 points in 1 category and 50 points in another for the entire 100 points?

Answer: No, an applicant cannot receive 50 points in one category and 50 points in another category. For the Disaster Resiliency category an applicant can receive up to 100 points for having a plan in place or 50 points if there is a commitment to address the planning requirements. For the Fair Housing category, the applicant either meets the criteria for the 100 points or they do not meet the criteria and do not receive any zero points.

13. Question: Which application do we use to apply for fire equipment (specifically a fire truck) Public Improvements or Public Facilities? The Public Facilities Activity form specifically lists fire equipment/stations but most of the questions relate to a public service *within* a public facility. The Public Improvements Activity form seems to have questions more tailored to the fire equipment.

Answer: The Public Facilities Activity form is the correct form to use in the application for a fire truck (If you were planning to use program income to purchase the truck, then you would use the supplemental activity project form). Typically, Public Facility projects relate to the actual construction (of the fire station) however, HUD has determined that because the fire truck is within the facility, it is an eligible activity under the Public Facilities category as well.

14. Question: One of our Public Service Activities is Code Enforcement, do we need to choose one area to target or can we specify all residential neighborhoods as the target area and exclude industrial, commercial and airport?

Answer: You may identify more than one service area for a CDBG funded Code Enforcement program. As the NOFA states it must be in a primarily residential area, must meet the low/mod area benefit (LMA) National Objective and must be identified by the city as an area that is 'deteriorating' or 'deteriorated' where such enforcement, together with public or private improvements, rehabilitation or services to be provided may be expected to arrest the decline of the area. Industrial, commercial and airport areas are excluded.

Note that if the City currently has a Code Enforcement program with other funding, the CDBG funds may only be used in the CDBG identified areas and the city would need to keep separate records to differentiate between the two sources of funds.

2017 CDBG NOFA Frequently Asked Questions

15. Question: Our jurisdiction did not receive any audit findings. Do we document this somewhere on the application or do we just leave that portion blank?

Answer: If the jurisdiction did not receive any audit findings, you would leave ~~it~~ that portion blank.

16. Question: Regarding Housing Rehabilitation and Homeownership Assistance application forms, what information do we need to provide to demonstrate “continuation of existing program activities during the last fiscal year”?

Answer: This depends on where the funding comes from. If it is CDBG or HOME funding, provide copies of the first page of the grant agreement. If the funding came from a revolving loan fund, provide either PI reports showing the funds coming out of the account and documentation (such as a closing statement) that shows the purchase or documents the rehabilitation loan.

17. Question: Is there a deadline for implementing disaster preparedness?

Answer: There is no deadline for implementation of disaster preparedness.

18. Question: If a jurisdiction is working with a non-profit, can the non-profit perform the outreach effort?

Answer: Yes if the outreach effort is conducted in the applicant’s jurisdiction.

19. Question: Regarding using a prior approved income survey, HCD approved an income survey for a 2014 application for a water project. The grantee would like to apply for a sewer project that serves the exact same beneficiaries. Since surveys are supposed to be good for five years, is there any reason the same survey could not be used for the sewer project?

Answer: Income surveys are good for a five-year period, so the applicant can use the 2014 income survey for its 2017 CDBG application.

20. Question: If submitting an application for a housing combo program, can we move funding between the two housing activities?

2017 CDBG NOFA Frequently Asked Questions

Answer: Yes, you can move funding between the two housing activities. Submit a letter to your Contract Management representative requesting to move the funding. The representative will then send a confirmation letter approving the transfer of funds.

21. Question: Do we have to submit proof of a single audit to meet the single audit threshold requirement?

Answer: No, HCD will confirm this using the State Controller's Office (SCO) database.

22. Question: What type of public outreach measures should applicants demonstrate to receive Fair Housing criteria State Objective points?

Answer: Applicants must demonstrate that they have gone beyond the mandatory Citizen Participation requirement (such as additional public meetings or hearings beyond what is required as outlined in Appendix C) in their community outreach efforts

23. Question: Regarding procurement for an Administrator or /Labor Standards Consultant, some grantees have existing three-year contracts for these types of consultants. Currently HUD allows five-year contracts, will HCD adopt the five-year policy so that this can be included as part of the readiness for the 2017 NOFA?

Answer: Yes, a five-year contract is acceptable for consultant contracts.

24. Question: For sole source procurement, similarly a grantee may procure a design engineer or contract administrator, but only receive one bid. HCD's current policy is to approve all (single) sources procurements. HUD does not define or consider these as "sole source" yet HCD/CDBG is still requiring these be approved prior to contract. Considering this could come up as part of the NOFA process, does HCD feel it is time to dispense with this requirement?

Answer: It is correct that HUD does not consider a procurement "sole source" simply because there was only one response to the RFP. HCD agrees that if a jurisdiction conducts a full procurement process that results in only one response, it is not a "sole source" procurement. If a full procurement process is conducted, and only one response is received, the Contract Management staff reviews the procurement process that was used to make sure it was open and competitive. This evaluation takes place after the standard agreement is executed. Due to confusion on this, HCD will revise the General Conditions Checklist to make it clear that a procurement that results in only one

2017 CDBG NOFA Frequently Asked Questions

response is not a “sole source” procurement, and will specify the actions taken in the two different situations (sole source vs. full and open procurement that results in only one response).

- 25. Question:** Regarding the use of City/District engineers, attorneys, planners, etc., the regulations do not preclude the use of contracted City staff yet HCD/CDBG current policy does. This is a misrepresentation by State CDBG and a good time to reverse a counterproductive policy.

Answer: HCD agrees that this policy needs to be reevaluated, and in principle agrees that as long as the procurement for any contracted staff (engineers, architects, attorneys, etc.) includes all federal requirements (Minority Business Enterprises/Women Business Enterprises, Section 3, drug free workplace, termination for cause, etc. clauses), that federal projects may be included (naming the programs), and that the contract term is sufficient to complete all work required for the project and a separate procurement for construction should not be required. However, the process to review, develop and announce the changes in sufficient detail to provide clear and complete guidance cannot be completed in time for potential applicants to complete for the current CDBG NOFA. This policy change has been identified, as a task to be undertaken by the CDBG Redesign Working Group will be announced once the Redesign Working Group completes their task.

- 26. Question:** What constitutes “only one project per application” for both CDBG Public Improvements and Public Facility applications? For example, if we have identical park improvements at multiple parks throughout the City, would that be considered one project or multiple projects?

Answer: It would be considered multiple projects.

- 27. Question:** When an activity TOC requests documentation for program guidelines, the documentation listed says “Adopt by Resolution”, Should the application include a full copy of the adopted guidelines along with the Resolution, or just a copy of the Resolution?

Answer: Assuming you are referring to either Housing Rehabilitation and/or a Homeownership Assistance program, the resolution is sufficient to document that the City or County has adopted the guidelines, as long as it refers to the type of guidelines adopted *and* the date the guidelines were adopted.

2017 CDBG NOFA Frequently Asked Questions

28. Question: In the Public Improvements application there is a question regarding the number of previously completed *federally funded* (other than CDBG) housing or non-housing related construction or rehab projects in the last three program years (prior to this NOFA). Our jurisdiction has two CDBG non-housing construction projects and two housing rehab projects but we do not have any other “federally funded” construction projects. We do have a State funded housing related parks construction project, can we list that project or does it not count because it is State funded?

Answer: Per page 13 of Appendix L, you only need two completed CDBG-funded non-housing related construction or rehabilitation projects within the last three program years to receive the maximum of 100 points (50 points per project). If the City has completed any federally funded Caltrans projects within the last three program years, they would also qualify under this category. State funded projects do not qualify under any of the three categories. In addition, for clarification, in order to qualify under the CDBG funded housing rehabilitation project category, the project would have to be a multi-family rehabilitation project (single-family projects would not be applicable).

29. Question: In Appendix O, the requirement asks applicants to complete the certification form. Is any additional documentation required for the points?

Answer: No additional documentation is required if the certification form is fully completed and signed.