

Summaries of and Responses to Public Comments
2015 CDBG Drought-Related Laterals Program

In early October 2015, the Department of Housing and Community Development (“HCD” or “Department”) will release a Notice of Funding Availability (NOFA) for its 2015 Drought-Related Laterals Program.

Comments were received during the public comment period, which was **September 1, 2015 to September 18, 2015**.

Summary of comments and responses:

Topic	Comment	Commenter(s)	HCD Response
Application Caps	Create an equitable application process, set a \$ amount cap on applications.	County of Tuolumne	HCD agreed to include an applications maximum of \$750,000. A 2 nd NOFA round is possible in 2016 if there is unmet demand and funds are available.
Eligibility	Consider adding new wells and deepening of existing wells as eligible activity – this would help residents that are too far away from public water systems	Dept. of Developmental Services and County of Tuolumne	Due to the high cost of drilling new private wells and the concerns that this activity may not provide a permanent solution to the Drought crisis, HCD has determined that adding this activity would not be appropriate at this stage.
	Allow contaminated and low-production wells to be included as eligible.	County of Tuolumne, County of Tulare and Self-Help Enterprises	Agreed and added to the NOFA
	Allow work in the public right-of-way (ROW) (stub, water meter & valve) to be included as eligible in addition to the private lateral connection	County of Tulare and Self-Help Enterprises	This portion of the work would be eligible as long as it is part of the system connection fees that are assessed on each homeowner. CDBG funds can be used to reimburse the homeowner for the system connection fees after the ROW work is completed.

Topic	Comment	Commenter(s)	HCD Response
	Delete the requirement that each Applicant jurisdiction must certify other sources of funding are not available.	Self-Help Enterprises	This requirement is part of meeting the National Objective of Urgent Need and cannot be deleted. HCD is aware that DWR has a drought assistance program that can include installations of laterals, but this program does not provide funding to jurisdictions but works directly with homeowners.
	Waiving the income qualification, environmental review, and some threshold requirements as proposed are very beneficial components of the NOFA	All potential applicants	Agreed.
	Allow more time for public comments	Dept. of Developmental Services	Based on the urgent need for this activity and the time constraints of meeting the Urgent Need National Objective in relation to the Drought disaster, it was important to release the NOFA as soon as possible.
	Are nonprofits that provide housing for adults with developmental disabilities eligible for these funds?	Dept. of Developmental Services	No, per federal regulations State CDBG funds can only be disbursed to non-entitlement cities and counties.
	What will be the process of funds distribution and what “special conditions” will grantees be required to meet?	Dept. of Developmental Services	After receiving a grant contract, as part of clearing special conditions each grantee will be required to submit Laterals Program Guidelines. The Guidelines must address how the Grantee will review applications for funding, the underwriting process and eligibility criteria for loans to investor-owned properties, etc.
	Define dry and contaminated wells. Who determines if a well is dry or contaminated?	Dept. of Developmental Services	The NOFA has been revised to include a definition of dry and contaminated, and to clarify that the local government in their

Topic	Comment	Commenter(s)	HCD Response
			application will be required to describe how the condition of the wells was determined.
	Can these funds be used for decontamination of contaminated wells, reverse osmosis, etc?	Dept. of Developmental Services	The goal of this program is to assist residents who are without potable water in connecting to a permanent water supply, such as a public water system. Treatment of existing wells provides only a temporary solution to the Drought crisis.
	Can these funds be used for abandonment of existing wells?	Dept. of Water Resources	Yes, abandonment (capping) of private wells is eligible.