

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE

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February 17, 2021

MEMORANDUM FOR: All Potential Applicants

FROM: Geoffrey Ross, Deputy Director
Division of Financial Assistance

A handwritten signature in black ink, appearing to read "G. Ross", positioned to the right of the "FROM:" line.

SUBJECT: Community Development Block Grant–Mitigation
Notice of Funding Availability - Extended

The California Department of Housing and Community Development (Department) is pleased to announce the availability of approximately \$22.4 million in Community Development Block Grant Mitigation (CDBG-MIT) funding for the Resilient Planning and Public Services Program through this Notice of Funding Availability (NOFA).

The amount of funding available could be increased, or even greatly exceed, the announced amount in this NOFA depending on a number of factors. These factors may include, but are not limited to, HCD's administrative determination of need, changes in legislation directing HCD to make additional funds available, new emergency allocations of funding, or newly available funding from disencumbrances of previous awards. If additional funding becomes available, HCD will continue evaluating the list of qualified applicants and make awards up to the additional funding amount available.

The amount of funds available as announced in this NOFA shall be allocated between Planning and Public Services as identified in the approved [2018 CDBG-Mitigation Action Plan for 2017 Disasters](#) and the [2020 CDBG-Mitigation Planning and Public Services Policies and Procedures Manual](#).

Funding from this NOFA can be used for a variety of activities to increase mitigation and resilience, including:

1. Planning and Capacity Building
2. Public Services

The Department will be accepting competitive applications through the eCivis Grants Management System portal beginning January 8, 2021. **All applications must be submitted by no later than 5:00 p.m. PST on March 5, 2021.**

NOFA Deadlines

NOFA Release	January 8, 2021
Application submittal Start Date:	January 8, 2021, 9:00 a.m. Pacific Standard Time (PST)
Application Due Date:	March 5, 2021 5:00 p.m. PST

Applicants who do not have a profile set-up already in the eCivis Grants Network system are encouraged to set-up profiles in the eCivis portal located at <https://portal.ecivis.com/#/login> as soon as possible. Profile set-up instructions can be found in the [Manual](#) or by watching the [Applicant Webinar](#). Applicants are encouraged to begin the application process early to ensure successful submission before application deadlines. If you have any trouble logging into the portal or have questions on how to complete the online application, please contact HCD at mitigation@hcd.ca.gov.

The Department will hold a workshop on January 20, 2021 to review the NOFA and application process. A link to the Grants Network portal, along with a list of workshop dates and times and how to register, is available on HCD's CDBG-MIT webpage at [CDBG-MIT](#).

To receive CDBG-MIT NOFA FAQs and other Program information and updates, please subscribe to the Federal Programs listserv at https://www.hcd.ca.gov/hcd_ssi/subscribe-form.html.

If you have any questions, please submit them to mitigation@hcd.ca.gov.

**Community Development Block Grant
Resilient Planning and Public Services Program
2020 Notice of Funding Availability**



**Gavin Newsom, Governor
State of California**

**Lourdes M. Castro Ramírez, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
California Department of Housing and Community Development**

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February 17, 2021

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**2020 COMMUNITY DEVELOPMENT BLOCK GRANT
MITIGATION RESILIENT PLANNING AND PUBLIC SERVICES PROGRAM
NOTICE OF FUNDING AVAILABILITY**

I. Overview

A. Program Authority

The California Department of Housing and Community Development (HCD) currently administers disaster recovery funding, including the CDBG-Mitigation (CDBG-MIT), CDBG National Disaster Resilient (CDBG-NDR), and the 2017 CDBG-DR Unmet Recovery Needs funding. In response to the disaster events of 2017, HCD dedicated \$22,440,000 of the CDBG-MIT funds to create the Resilient Planning and Public Services Program to fund eligible jurisdictions and non-profit entities to create projects to address risks to, or across, community lifelines that support human health and safety and provide mitigation for individual and community-based systems.

In accordance with Section V.A.10 of the Federal Register Notice (84 FR 45838), which outlines the governing principles of the CDBG-MIT funding, HCD promotes expansions of local and regional planning initiatives consistent with those of entitlement communities. The program's scope and budget are consistent with the U. S. Department of Housing and Urban Development's (HUD) request in 84 FR 45838 to ensure planning and education are key components in utilizing this initial allocation of CDBG-MIT dollars.

The CDBG-MIT Action Plan outlines the overall state and federal requirements for the program made available through this NOFA. In addition to the Policies and Procedures, program participants must comply with federal regulations contained in 84 FR 45838 Code of Federal Regulations (CFR); [24 CFR §570, Subpart I](#); [24 CFR §58](#); and [2 CFR §200](#). If Congress or the state Legislature add or amend any requirements concerning the use or management of these funds, Grantees shall comply with such requirements. See [24 CFR §570.480](#) et seq. for additional general provisions.

B. Program Description and Eligibility

The intent of the program is to fund actionable, impactful Planning and Public Services projects that have measurable results in risk reduction from natural hazards. Planning projects funded under the program may be tied to implementation efforts either within the related MIT-Resilient Infrastructure Program (MIT-RIP) or other projects to reduce risk and increase resilience. If a project is not tied directly to implementation, the focus of the planning project should be actionable, measurable, and able to be utilized by jurisdictions immediately. Eligible activities considered under this program include the creation or updating of current plans for better alignment with mitigation principles or, in some cases, examining hazards and establishing actions to increase resilience and preparedness. Entities may also use

the funding to increase public services through establishing educational campaigns or local job training initiatives to ensure disaster preparedness is a vital component of their communities' resilience efforts going forward.

Additionally, HCD will consider awards for funding under this program to local jurisdictions who may be eligible for the MIT-RIP but need to build capacity prior to implementing projects.

Eligible Applicants include:

1. Jurisdictions that have eligible projects and are located within the most impacted and distressed (MID) areas.
2. Jurisdictions within the federally declared disasters DR-4344 and DR-4353 impacted counties that develop an eligible mitigation Planning and/or Public Services project that directly benefits the MID.
3. Non-profit organizations with demonstrated experience in the area that develops an eligible mitigation Planning and/or Public Services project that directly benefits the MID

Projects must benefit the area designated by HUD as MID areas within the disaster declared impacted counties under federally declared disasters DR-4344 and DR-4353. Geographic eligibility is further defined in Section VII and a list of eligible jurisdictions is provided in Appendix A. Only organizations serving the eleven (11) counties identified in Appendix A can be served by this NOFA.

Planning activities do not have to meet a National Objective. Public Services projects must meet one of two National Objectives, either benefit low- to moderate-income (LMI) individuals or meet an urgent need mitigation. These are further defined in Section VI.

Mitigation and resilience are best gained through collaborative approaches with multiple stakeholders. HCD will encourage coordination among eligible Applicants to increase coordination across organizational and geographical boundaries and to improve project outcomes.

Planning and Public Services projects funded under this program should be inclusive of all residents and community stakeholders.

Additionally, given that resources do exist within the state to address planning efforts, including within HCD, additional technical assistance to Applicants and coordination with other state and local partners will ensure there is no Duplication of Benefits. While local stakeholders have indicated the need for planning dollars, HCD will ensure that potential Applicants have exhausted all other avenues of funding prior to receiving an award from this program.

C. Timeline

The timeline below identifies deadlines for the CDBG-MIT program application process. The program term is three years after execution of a Standard Agreement with HCD. The timeline assumes a two-month period from grant award to Standard Agreement. The timeline may be modified.

Milestone	Due Date
Q&A Webinar on program	October 14, 2020
Publish program Policies and Procedures	Published
Release NOFA and Application	January 8, 2021
NOFA Workshop (Webinar)	January 20, 2021
Deadline to Submit Application	March 5, 2021
Execute Standard Agreement	TBD
Project Completion Deadline	July 2024
Closeout Grant	July 2025

Applications submitted before the application start date or after the respective due date or closing date will not be accepted. There will be no exceptions. The Department recommends Applicants plan to submit prior to the final due or closing date to provide opportunity for troubleshooting if needed. Each application will be digitally time stamped upon submittal.

D. What is in this NOFA

This NOFA dedicates funds available through a special Congressional appropriation to increase mitigation within communities impacted by disasters in 2015, 2016, and 2017.

This NOFA allocates funds to the Resilient Planning and Public Services Program, which will fund eligible jurisdictions, non-profit entities, to create projects that address risks to, or across, community lifelines that support human health and safety and provide mitigation for individual and community-based systems.¹

¹ Federal Emergency Management Agency. Community Lifelines. <https://www.fema.gov/emergency-managers/practitioners/lifelines>

II. Terms and Definitions

Acronym	Meaning
CDBG-MIT	Community Development Block Grant Mitigation grant allocation
HCD	California Department of Housing and Community Development
HCDA	The Housing and Community Development Act of 1974
HUD	U.S. Department of Housing and Urban Development
MID	U.S. Department of Housing and Urban Development Most Impacted and Distressed (MID) Areas
NOFA	Notice of Funding Availability
UNM	Urgent Need Mitigation

Community Lifelines²: FEMA defines these lifelines as critical business, government, and essential services that provide health, safety, and economic security within a community. Community lifelines in preparedness planning and recovery provide details on the critical functions and stakeholders that facilitate the most effective response and get services and infrastructure back online after a disaster.

Duplication of Benefits (DOB): Financial assistance received from another source that is provided for the same purpose as the CDBG-MIT funds: The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any individual, business concern, or other entity from receiving financial assistance from CDBG NDR 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 city or county governments or non-profit organization that applies for funds pursuant to Applicant eligibility section. (See: Subrecipient)

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

Mitigation: According to HUD, those activities that increase resiliency 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 FEMA Community Lifelines. <https://www.fema.gov/emergency-managers/practitioners/lifelines>

Most Impacted and Distressed (MID): An area that meets the definition of MID set by HUD in the Federal Register Notice. For purposes of the unmet needs allocation, HUD has defined MID 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 2017 disasters within the threshold are funded: (a) One or more most impacted county; and/or (b) 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 2017.

Subrecipient: A non-federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such a program. Upon award, Applicants become Subrecipients.

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

III. Nondiscrimination

All Applicants will be required to comply with the nondiscrimination, fair housing and civil rights clauses included in Draft Standard Agreement Exhibit D.

IV. Allocation

A. Funding

Funds will be allocated according to federal regulations found in 84 FR 45838, [24 CFR §570](#) and the CDBG-MIT Action Plan. For more information, please reference the CDBG-MIT Action Plan and Program Policies and Procedures located at [CDBG-MITIGATION](#).

1. Program allocations

HCD allocated approximately \$22,440,000 to the Resilient Planning and Public Services Program to address the expressed needs for mitigation planning and

public services.

The amount of funding available could be increased, or even greatly exceed, the announced amount in this NOFA depending on a number of factors. These factors may include, but are not limited to, HCD's administrative determination of need, changes in legislation directing HCD to make additional funds available, new emergency allocations of funding, or newly available funding from disencumbrances of previous awards.

If additional funding becomes available, HCD will continue evaluating the list of qualified applicants and make awards up to the additional funding amount available.

In accordance with Section V.A.10 of Federal Register Notice (84 FR 45856), HCD will promote expansions of local and regional planning initiatives that would be consistent with those of entitlement communities. The program's scope and budget are consistent with HUD's request in the Notice to ensure planning and education are key components in utilizing this initial allocation of CDBG-MIT dollars. At this time, the allocation is further divided into two components:

- Resilient Planning, including capacity building: \$13,200,000
- Resilience Public Services: \$9,240,000

2. Insufficient demand

If there is insufficient demand for an identified allocation, HCD may make awards to other qualifying activities to meet the timeliness of federal funds requirements.

3. Department rights

HCD reserves the right, at its sole discretion and at any time, to rescind, suspend or amend this NOFA and any or all of its provisions. If such an action occurs, HCD will notify interested parties via its listserv email tool and website.

B. Conditions

Applicants and awardees acknowledge that the funding opportunities referenced in this NOFA, and all obligations of HCD herein, are expressly subject to and conditioned upon the ongoing availability of funds, as well as the continued authority of HCD to operate the Resilient Planning and Public Services Program. IN the event that funds are not available to fund any, or all, activities offered herein, or if HCD's authority to operate the Resilient Planning and Public Services Program or act under this NOFA is eliminated, or in any way restricted, HCD shall have the option, at its sole discretion, to amend, rescind, suspend, or terminate this NOFA and any associated funding pursuant to the provision set forth immediately above. This NOFA is not a commitment of funds to any activity or Applicant.

HCD reviews and approves project applications, ensuring compliance with the program policies and procedures, as well as applicable state and federal regulations. Applications demonstrate ability to comply with applicable laws and regulations associated with Fair Housing, Civil Rights, and Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) in project delivery. HCD evaluates all submitted applications and awards are made until no remaining funding is available within the program budget.

HCD ensures flexibility in identifying and prioritizing the projects that provide the most mitigation benefits, while also adhering to HUD requirements for this grant. HCD monitors and provides technical assistance to its Subrecipients throughout program implementation.

C. Applicant responsibility

It is the Applicant's responsibility to ensure that the application submitted is clear, complete, and accurate. After the application submittal deadline, HCD may request clarifying information, provided that such information does not affect the competitive ranking of the application. No information will be solicited or accepted if such information results in a competitive advantage to an Applicant. No Applicant may appeal HCD's evaluation of another Applicant's application.

V. Eligible Activities

All programs must qualify as an eligible activity defined by HUD. The eligible activities for this program are:

- **HCD Section 105(a)(8) – Public Services**

Provision of public services, including but not limited to those concerned with employment, crime prevention, childcare, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government.

- **HCD Section 105(a)(12) – Planning and Capacity Building**

Activities necessary to develop a comprehensive community development plan, and develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively (i) determine its needs, (ii) set long-term goals and short-term objectives, (iii) devise programs

and activities to meet these goals and objectives, (iv) evaluate the progress of such programs in accomplishing these goals and objectives, and (v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation.

The planning activities under the Resilient Planning and Public Services Program can include: the creation of new plans that examine hazards and establish actions for

increasing resilience and preparedness; projects that update current plans to better align with mitigation principles are eligible and capacity building for Subrecipients intending to participate in [future rounds of the CDBG-MIT Resilient Infrastructure Program](#).

Entities may also use the funding to increase public services through projects such as: establishing educational campaigns or local job training initiatives to ensure disaster preparedness is a vital component of their communities' resilience efforts going forward. To meet the requirements of providing accessible service to community members with language and/or functional needs, funds may be used to support language access services and effective communication strategies for individuals with disabilities.

The eligible activities above allow for regional or local jurisdictions and nonprofit organizations to submit appropriate applications for funding based on their individual mitigation needs as outlined within the Mitigation Needs Assessment.

Planning and Public Service projects implemented under this program may include, but are not limited to:

A. Planning

- Creation of or updates to Community Wildfire Protection Plans, earthquake plans, flood protection and/or evacuation plans,
- Addition of resilience or safety elements (e.g. evacuation routes or forest and vegetation management) to local comprehensive plans, and
- Additional planning that serve to enhance critical lifelines.
- Capacity building for jurisdictions interested in the Resilient Infrastructure Program.

B. Public Services

- Establishment of mitigation-related outreach and educational campaigns regarding proper disaster evacuation, disaster preparedness, and risk reduction initiatives,
- Additional public services that serve to enhance critical lifelines,
- Funding for local governments and non-profit organizations to perform additional services to inform the public on resilience-focused activities,
- Capacity building through job training programs that train LMI individuals to work on community mitigation projects,

- Leveraging resources through partnerships and coordination of efforts, and
- Code enforcement activities, including training and staffing.

VI. National Objectives

In accordance with 24 CFR §570.208, Section 104(b)(3) of the HCDA, and as further outlined within the waivers and alternative requirements at 84 FR 45838, all CDBG- MIT funded activities must satisfy either the LMI or the new UNM National Objective.

HUD has created a new National Objective - UNM – for CDBG-MIT programs. This National Objective provides a better fit for CDBG-MIT activities that aim to address risks that does not tie back to the disaster events of the 2017 CDBG-DR funding, or subsequent disasters.

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.

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

Planning activities do not require a National Objective be established. 84 FR 45838 governing the MIT allocation describes planning efforts as addressing the National Objectives without the limitation of any circumstances. All Public Services activities meet one National Objective criterion, LMI or UNM, related to its specific mitigation impact and defined direct benefits or service area.

The prioritization criteria below for the Public Services component of the program ensures that proposed projects, at a minimum, address how they affect vulnerable and LMI populations. HCD's analysis of LMI Summary Data (LMISD) of the MID within the Mitigation Needs Assessment indicates only one MID (the Lake County zip code) as being 51 percent or more LMI. In order to identify activities, which may meet the LMI National Objective, HCD requires local entities to look at LMISD on a block group level to determine project target areas and whether an LMI area benefit (LMA) exists.

A. Other National Objective(s)

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.

B. National Objective Compliance

Under CDBG-MIT, a tie back to a prior disaster is not required; however, eligible projects must occur within the MID area. HCD must demonstrate compliance with LMI or UNM National Objectives for its CDBG-MIT activities.

VII. Eligibility Criteria

A. Geographic Eligibility

Projects must benefit the area designated by HUD as the most impacted and distressed areas (MID) within the disaster declared impacted counties under DR-4344 and DR-4353.

The map in Appendix A shows the DR-4344 and DR-4353 impacted counties, the two MID Counties (Sonoma and Ventura) and five MID Zip Codes:

- 95470 – Mendocino County
- 95901 – Predominantly Yuba County
- 94558 – Predominantly Napa County
- 95422 – Predominantly the City of Clearlake in Lake County
- 93108 – City of Montecito, located in Santa Barbara County

B. Applicant Eligibility Criteria

Eligible Applicants are:

1. Jurisdictions that have eligible projects and are located within the MID areas,
OR
2. Jurisdictions within the DR-4344 and DR-4353 impacted counties that develop an eligible mitigation Planning and/or Public Services project that directly benefits the MID, OR
3. Non-profits with demonstrated experience in the area that develop an eligible mitigation Planning and/or Public Services project that directly benefits the MID.

Further,

1. An eligible Applicant may apply on its own behalf.
2. An eligible Applicant may apply on behalf of one or more other eligible Applicants.
3. Two or more eligible Applicants, which share a program, may submit a joint application.

C. Project Eligibility Criteria

Proposed projects will be assessed by HCD. Specific eligibility criteria include:

1. The proposed project must be located in, or be shown to have, a demonstrable benefit to a HUD-designated MID area;
2. CDBG-MIT funded public services activities must satisfy either the LMI or UNM National Objective as described in Section VI. However, according to 84 FR 45838, planning efforts address the National Objectives without additional requirements; All sources of funding required to complete the project must be identified and secured or readily accessible;
3. The proposed project must meet the definition of a mitigation activity; and
4. The Applicant must demonstrate sufficient capacity to manage and operate project specific CDBG-MIT funding.

D. Eligible and Ineligible Costs

1. Eligible Costs

CDBG-MIT awards under the Resilient Planning and Public Services Program may fund costs generally considered eligible within HUD's CDBG guidelines, with consideration given to certain costs typically related to emergency management, disaster response, or disaster preparedness that are not generally eligible for CDBG funding but provide a demonstrable benefit to the community per the definition of a mitigation activity.

According to 84 FR 45838, mitigation activities are defined as 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.

Examples of eligible planning costs include, but are not limited to:

- Preparation, adoption, and implementation of a general plan or general plan element that incorporates wildfire and climate risk, aligned with Government Code §65302;
- Preparation, adoption, and implementation of other plans that incorporate wildfire, flooding, earthquake, or climate risk (e.g., corridor plans);
- Supportive planning activities (e.g., community engagement, scoping, and pre-planning activities) that advance development of a general plan or general plan element update;
- Staff time for planning activities, including:
 - Coordination, collaboration, oversight, and management of planning vendors;

- Activities necessary to procure a planning vendor;
 - Quality Assessments/Quality Control and review of deliverables;
 - Monitoring, reporting, invoicing, and evaluation;
 - Outreach and coordination with citizens and stakeholders; and
 - Coordination, compilation, development, or analysis of new or existing data and studies.
- Data, analysis, studies, and maps;
 - Certain moveable property, software, and indirect costs;
 - Activities necessary to develop a mitigation plan. These activities could include:
 - Data gathering and analysis, participating, and contributing to necessary studies or mapping effort;
 - Outreach and coordination with citizens and stakeholders;
 - Communications and messaging;
 - Participation in development of vision, goals, objectives, and activities;
 - Participation in development of implementation strategy;
 - Review of the findings; and
 - Drafting of plan.
 - Equipment and software necessary to conduct the activity, and
 - Vendor activities necessary to develop a mitigation plan or outreach campaign.

Examples of eligible public services costs include, but are not limited to:

- Educational campaigns to increase mitigation amongst communities,
- Job training programs to increase economic opportunities within mitigation activities, and
- Public safety measures to protect communities from wildfire, earthquake, or

flood hazards.

2. Ineligible Costs

The following items are ineligible uses of program funding:

- Construction or construction-related activities, including capital improvements to existing facilities;
- Immovable equipment purchase, lease, or maintenance;
- Purchase of land and buildings;
- Political or religious activities;
- Entertainment, including amusement, diversion and social activities, food and beverages associated with training, and other work activities;
- Costs associated with preparation of the grant application;
- Travel not associated with the training of staff;
- Donations and contributions, including cash, services, or property;
- Fundraising activities; and
- Investments in instruments or for the sole purpose of a return on investment.

E. 2 CFR §200 Compliance

The Applicant must demonstrate to the satisfaction of HCD that it is in compliance with the financial management requirements of [2 CFR §200](#), including the single audit requirements of [2 CFR §200.501](#). The Applicant must provide HCD with its most recent single audit, if applicable.

If the Applicant has open single audit findings and does not have a plan or agreement to remediate those findings, the Applicant will be deemed ineligible for funding through the CDBG-MIT program until the findings are resolved or a remediation plan or agreement is established.

If Subrecipient is procuring for services, Subrecipient is required to adopt procurement procedures as required in 2 CFR §§200.318 - 326. All procurement transactions funded in whole or in part with CDBG-DR funds, regardless of dollar amount, must be conducted to provide “maximum open and free competition”.

2 CFR §200.318(i) requires that Subrecipients maintain records sufficient to detail the significant history of each procurement.

All contracts and agreements procured by the Subrecipient for use under the Resilient Planning and Public Services Program must be reviewed and approved by HCD. For new contracts, HCD approval should occur prior to execution. For previously procured contracts that are active, the Subrecipient must provide the procurement file to HCD for review and verification of compliant procurement that conforms to the minimum requirements found at 2 CFR §§200.318 – 326 prior to expending funds under said contract. HCD's approval of the procurement and contract shall be issued in writing.

F. Federal debarment

The Department will not award any CDBG-MIT funds to Applicants that are debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from participation from federally assisted programs. Applicants are responsible for providing proof that all program partners, Subrecipients, contractors, and any other program participants, current or future, are not debarred. Applicants must provide proof from the federal [System for Award Management](#) that the Applicant, all application partners, and any Subrecipients, developers, consultants, and contractors participating in the application, the potential administration of the award, or the potential implementation of the activity are not debarred.

Per 2 CFR §200.213, 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.

G. Restrictions on multiple activities in the same political districts

HCD will encourage coordination among eligible Applicants to increase coordination across organizational and geographical boundaries and to improve project outcomes. Applications for eligible activities outside the Applicant's jurisdiction must include a legally binding agreement, acceptable to HCD, with the city or county in which the eligible activity is located.

VIII. Funding and activity Limits

A. Award Cap

Maximum awards per project under this program are capped at \$500,000. Exceptions to the maximum award amount are considered by the Internal Loan Committee on a case-by-case basis, accounting for the amount of funding needed beyond the award cap, the benefits of the proposed project, and other funding included as leverage, among other factors. There is no limit to the number of project applications an entity can submit; however, no single entity can receive more than a

total of \$2.5 million in CDBG-MIT funding under this program. This means that a jurisdiction or organization may not receive more than \$2.5 million even if they receive an award for both components of this program – Planning and Public Services.

Potential exceptions to the maximum award amount are reviewed on a case-by-case basis. Exceptions may be allowed if the result meets one of the prioritization goals below, particularly an increase in benefit to LMI individuals or communities and/or an increase in project goals within the MID.

B. Terms of Assistance

Funds are awarded as grants for reimbursement of eligible costs. In order to meet the expenditure deadline, Applicants who are granted an award will have three years from execution of the Standard Agreement with HCD to expend the grant.

HCD may extend the expenditure deadline if needed.

The grant is disbursed on a reimbursement basis. 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.

C. Duplication of Benefits

A duplication of benefits occurs when financial assistance is received from another source that is provided for the same purpose as the CDBG-MIT funds. Potential sources include local, state, federal, or philanthropic funding received to address the planning or public services activities. Failure to provide full disclosure of all duplicative assistance received results in recapture of funds for those amounts that are determined to be duplicative.

D. Recapture

HCD is responsible for ensuring that the CDBG-MIT funds awarded by HUD comply with all state, federal, and local requirements. In situations where funds are disbursed to a Subrecipient determined to be ineligible for assistance or are used for ineligible activities are handled, a Subrecipient may be required to repay all or a portion of the funds received. The reasons for recapture include, but are not limited to, the following:

1. Subrecipient does not comply with the terms of the Agreement;
2. A Subrecipient withdraws from the program prior to completion of the project and/or fails to meet a National Objective;
3. A project does not meet the requirements specified in Section VII.D;

4. A Subrecipient is found to have used program funds for an ineligible activity or cost;
5. A Subrecipient receives assistance for the same purpose as the funded CDBG-MIT Resilient and Recovery Program, including, but not limited to, other state, federal, or philanthropic funding; and
6. Funds are remaining after the project is completed, the expenditure deadline has passed, or the Standard Agreement has expired.

The method of recapturing funds and the timeframe for doing so are determined on an individual project basis. However, the recapture method and timeframe is consistent with 2 CFR §200 and other applicable cost principles. Complete recapture provisions are included in the Standard Agreement with the Subrecipient and are also included in any agreements between the Subrecipient and HCD.

E. Cost reasonableness guidance

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

F. Milestones

The focus of the planning project should be actionable, measurable and able to be utilized by jurisdictions immediately.

All CDBG-MIT-funded activities must be implemented according to the milestones defined in the Standard Agreement. Applicants must include at least two milestones per activity application – a milestone for activity initiation and a milestone for activity closeout.

Additional milestones are optional, though encouraged for best practice activity implementation.

IX. Application Criteria and Prioritization

A. Application criteria include:

- Purpose of the project
- Expected outcomes

- Champions among decision makers and the communities
 - Threshold Requirements
2. Project objectives and priority considerations: how the project and proposed planning and public services activities advance communities' efforts to effectively recover and/or avoid loss from the effects of wildfire, earthquake, or flood and build resilience to anticipated impacts from future climate events through:
- Recovery activities – activities to rebuild from impacts of disaster events including rebuilding housing, infrastructure, and economy,
 - Building resilience – preventing and bouncing back from shocks and stressors,
 - Meaningful engagement – active participation for community members including LMI individuals,
 - Intentional resilience design – design of buildings, landscapes, communities, and regions in order to respond to natural and manmade disasters and disturbances—as well as long-term changes resulting from climate change—including sea level rise, increased frequency of heat waves, and regional drought.

B. Prioritization

Planning and Public Services projects address risks to, or across, community lifelines that support human health and safety and provide mitigation for individual and community-based systems.

In addition to the prioritization criteria below, HCD considers applications for funding under this program to local entities who are attempting to build capacity for implementing projects under the Resilient Infrastructure Program. By supplementing planning efforts for these entities, HCD hopes to build upon an Applicant's resilient infrastructure initiative. For example, a Subrecipient awarded funding under the Resilient Infrastructure Program for roadway improvements may also receive specific prioritization for a Public Service project under this program to ensure the surrounding community knows its evacuation routes for future disasters.

Applicants are asked to provide quantitative assessments of the issues their project addresses. Applicants are also required to detail anticipated outcomes of their projects that result in improvements to LMI, the MID and the community lifelines.

HCD utilizes resources identified within the Mitigation Needs Assessment to aid in project selection (e.g., FEMA HMGP projects currently not awarded,³ CalFIRE and Local Fire Safe Council Program needs, Community Wildfire Prevention and Mitigation Report, established under the state's Executive Order N-05-19)⁴. These reports and data also consider the identification of vulnerable communities based on socioeconomic characteristics to establish priority projects.

Projects must meet threshold criteria:

1. Be a CDBG-MIT eligible activity
2. Must meet the definition of mitigation
3. Be located within or have impact within the MID
4. Reduce risk for low-to-moderate income individuals and households

Projects that meet the criteria below are prioritized:

1. Reduce risk along community lifelines of health and safety
2. Reduce risk for vulnerable populations, especially individuals and households that are very-low income
3. Inclusive of protected classes including age, race, color, religion, sex, familial status, national origin and disability
4. Build capacity to implement projects under the Resilient Infrastructure Program
5. Result in outcomes that can be measured
6. Are regional in approach
7. Foster collaboration amongst jurisdictional and nonprofit partners
8. Leverage additional resources

³ CDBG-MIT Action Plan, Mitigation Needs Assessment - O. Long-Term Planning and Risk Mitigation - 1. FEMA HMGP

⁴ State of California Executive Department. Executive Order N-05-19. Available at: <https://www.gov.ca.gov/wp-content/uploads/2019/01/1.8.19-EO-N-05-19.pdf>

Activity Delivery Costs (ADC) are allowable costs incurred for implementing and carrying out eligible CDBG-MIT activities. The ADC covers the costs of staff directly carrying out the activity in addition to equipment and supplies that are necessary for successful completion of the activity. An ADC must be allocable to a CDBG-MIT-assisted activity or an activity that is CDBG-MIT-eligible, meet a National Objective, and meet all other CDBG-MIT program requirements. Reasonable ADCs are eligible as part of the cost of carrying out CDBG-MIT activities authorized under 24 CFR §570.201-570.204.

- ADC of a failed project

If the project(s) are unable to be completed, a review of the causes of the project failure is performed. The Subrecipient provides 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 proceeded in good faith on the part of the Subrecipient, then HCD would consider a new eligible project from the Subrecipient that has the same or higher priority level, 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 agreement with stricter grant conditions is required.

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

XI. Additional requirements

- A. All sources of funding required to complete the project must be identified and secured or readily accessible.
- B. The proposed project must meet the definition of a mitigation activity.
- C. The Applicant must demonstrate sufficient capacity to manage and operate project specific CDBG-MIT funding.
- D. The Applicant must prove that the funds for these activities do not trigger

Duplication of Benefits as defined in Section V.D.

- E. The Applicant must demonstrate to the satisfaction of HCD that it is in compliance with the financial management requirements of 2 CFR §200.
- F. Pursuant to 84 FR 45838, applications must follow CDBG-MIT Public Participation regulations.
- G. The Applicant must demonstrate, to the satisfaction of HCD, that it is in compliance with the state and federal submission requirements of 2 CFR §200.512, and provide their most recent single audit as applicable. The Applicant must demonstrate compliance with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 relocation requirements, as applicable.

XII. Contents of application

Applications must be electronically submitted through the Grants Network portal located at <https://portal.ecivis.com/#/login> and consist of the items identified in the application, as well as any other information deemed necessary by HCD to evaluate the applications. This information provides the basis for assessment and includes the assurances and agreements necessary for compliance with 84 FR 45838, Health and Safety Code (HSC) §50825, et seq., 24 CFR §570, and 24 CFR §200.

XIII. Mandatory Department resolution

To reduce delays in the application review, award, and contracting processes, Applicants are required to use HCD's Sample Resolution of the Governing Body. For reference, please see Appendix B.

XIV. Application submission

A. Application workshops

The Department will hold application workshops starting on January 20, 2021. Please visit HCD's website at CDBG-MITIGATION for additional information. Applicants are strongly encouraged to review available webinars and training materials on the CDBG-MIT Resilient Planning and Public Services program, using Grants Network, and preparing a CDBG-MIT application in Grants Network.

B. Application submission

Applicants must follow instructions in both this NOFA and the online application. Failure to follow instructions will result in disqualification. The CDBG application and all required attachments must be submitted to HCD through the GMS Portal located at <https://portal.ecivis.com/#/login>. Applications must include all required information. Applicants must certify that all information is true and complete to the best of their knowledge, on penalty of perjury.

Applicants that do not have an account with eCivis should log into the eCivis portal as soon as possible. Use the “Create an account” option to initiate a profile. Applications must meet all threshold and eligibility requirements upon submission. It is the Applicant’s responsibility to ensure that the submitted application is clear, complete, and accurate. HCD staff may request clarifying information but are unable to accept any new documentation that would provide an unfair advantage over other applications.

Applicants must use the Grants Network Program Portal to submit project applications. Applications must be authorized by a resolution of the Applicant’s governing board. If allowed by local policies, HCD can accept a resolution from the governing board authorizing specific Applicant staff to submit on the Applicant’s behalf.

The required information is as follows:

1. Overall project description/scope of work
 - The overall project description and scope of work provides a complete summary of the project with supporting documentation that ties the project to a MID area. The project description includes the ownership of the project and who benefits from the project. The scope of work includes a full description of activities.
2. National Objective/MID documentation
 - The service area must show the MID area benefit.
 - For LMI, the Subrecipient must complete a beneficiary form detailing demographic calculations and supporting maps/figures.
 - UNM documentation – resolution from the governing board stating that no other funding is available for this project.
3. 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 budget (eligible activity costs and ADC)
4. Duplication of Benefits
 - Complete list and supporting documentation of potentially duplicative funds for the same purpose.
 - Final Duplication of Benefits calculation is conducted by HCD.

5. Project timeline

- List of project milestones.

C. Disclosure of application

Information provided in the application will become public record available for review by the public pursuant to the California Public Records Act (California [Government Code §6250 et. seq](#)). As such, HCD may disclose any materials provided by the Applicant to any individual making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including, but not limited to, bank account numbers, personal phone numbers, home addresses, or other personally identify information. By providing this information to HCD, the Applicant is waiving any claims of confidentiality, and consents to HCD's disclosure of the Applicant's material upon receipt of a Public Records Act request.

XV. Application review, approval, and commitment process

A. Application review

HCD reviews all aspects of the project application including scope, budget, eligibility, legal/policy issues, procurement, and compliance.

All applications are required to pass threshold requirements. Failure to meet threshold will result in immediate disqualification. Applications that do not meet threshold will not be reviewed.

All applications will be reviewed for activity eligibility. Activities that do not meet program eligibility will be disqualified.

Applications are "complete" when all appropriate documentation has been provided by the Applicant by the deadline. Applications received after the deadline are disqualified and not eligible for review.

Applications submitted prior to the deadline that are determined to be incomplete will be afforded an opportunity to provide additional or clarifying information at the discretion of HCD. Applicants who need to provide clarification or additional documentation will be notified through Grants Network requesting the information. Applications will be closed if there is no meaningful response within 30 days after the notification has been sent. The review process will resume when the requested information has been provided.

Once an application has been approved, Applicants are notified of the decision through Grants Network.

B. Recommendations

HCD will review applications and make award recommendations according to the above criteria. Applicants that are recommended for award by the Internal Loan Committee will be contacted and provided with an opportunity to update project schedules or other date-dependent data that may have aged during the Applicant review period. Applicants will officially be notified of awards through the eCivis Grants Network. The award notification will include instructions for accepting or declining the award, as well as an executable Standard Agreement. Applicants that are not recommended for awards will be officially notified via email that their application was not awarded.

C. Standard Agreements

Successful Applicants (awardee(s)) will enter into a Standard Agreement with HCD. A draft sample is included as Attachment K of this NOFA. The Standard Agreement contains all the relevant state and federal requirements, Activity performance and management requirements, and disbursement requirements. A condition of award will be that a Standard Agreement must be executed by the awardee(s) within 30 days (contracting period) of the awardees' receipt of the Standard Agreement(s). Failure to execute and return the Standard Agreement(s) to HCD within the contracting period will result in award cancellation. Award cancellations are final. Each Standard Agreement must be supported by a valid resolution to avoid delay in execution of the Standard Agreement. The Department strongly recommends the Applicant use the sample resolution provided in Appendix B.

XVI. Appeal criteria and process

A. Criteria

Upon receipt of HCD's notice that an application has been determined to be incomplete or fails threshold, Applicants under this NOFA may appeal such decision(s) to HCD pursuant to this section.

No Applicant shall have the right to appeal a decision from HCD relating to another Applicant's eligibility, point score, award, denial of award, or any other matter related thereto.

The appeal process provided herein applies solely to decisions HCD made in this NOFA and does not apply to any decisions made with respect to any previously issued NOFAs, or decisions to be made pursuant to future program NOFAs.

B. Appeal process and deadlines

In order to lodge an appeal, Applicants must submit to HCD, by the filing deadline set forth below, a written appeal, which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the Applicant must provide

a detailed reference to the area(s) of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be accepted if this information would result in a competitive advantage to an Applicant.

Once the written appeal is submitted to HCD, no further information or materials will be accepted or considered thereafter.

Appeals are to be submitted to HCD either via email at mitigation@hcd.ca.gov, or at the following address:

California Department of Housing and Community Development
Attn: CDBG-MIT Program Appeals
2020 W. El Camino Avenue, Suite 200 Sacramento, California 95833

HCD will accept appeals through a carrier service that provides date stamp verification of delivery, such as the U.S. Postal Service, UPS, or FedEx. Deliveries must be received during HCD's weekday (non-state holiday) business hours of 9:00 a.m. to 5:00 p.m. Pacific Standard Time. Emails to the email address listed above will be accepted so long as the email time stamp is prior to the appeal deadline.

Filing Deadline: Appeals must be received by HCD no later than five (5) business days from the date HCD notifies the Applicant that their application has failed to meet eligibility, threshold, or has failed to score high enough in readiness to qualify for award. Late appeals will not be reviewed.

C. Appeal decisions

It is HCD's intent to render its decision in writing within fifteen (15) business days of receipt of the Applicant's written appeal. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of HCD with respect to the appeal.

D. Effectiveness

If the applicable statutes and/or Guidelines governing the CDBG-MIT program contain an existing process for appealing decisions of HCD with respect to NOFA awards, then this section shall be inapplicable, and such existing authority shall govern all appeals.

XVII. Awards announcement and grant implementation

A. Awards announcements

The Department anticipates awards will be announced within 90 days of the Competitive application deadlines. OTC awards will be announced as applications are approved for funding. Until awards are announced, the CDBG- MIT staff will not be able to discuss the status of applications.

Within 60 days from the award announcement date, unsuccessful Applicants will have the opportunity to request an interview with Department staff to discuss their application. Applications and Standard Agreements are public information and are available for review upon request.

XVIII. Federal program requirements

A. Cross-cutting requirements

The CDBG-MIT program is administered under the rules and regulations promulgated primarily in 84 FR 45838 and 24 CFR §570.600 et seq. These primary regulations are known as the federal cross-cutting requirements and form the basis of the programmatic requirements. HCD incorporates all federal cross-cutting requirements into the state CDBG-MIT program, and the regulations in Part 570 are translated into required actions on the part of all Grantees of the state program.

This following is a summary of the federal cross-cutting requirements that will be applied if required:

1. Duplication of Benefits
2. Environmental Standards (based on National Environmental Policy Act of 1969 [NEPA])
3. Labor Standards (Davis-Bacon and related laws)
4. Achieving a HUD National Objective
5. Public participation requirements
6. Fair Housing and Affirmatively Furthering Fair Housing
7. Equal Opportunity and Non-Discrimination in federal Grant Programs
8. Federal Procurement Guidelines
9. National Flood Insurance Program compliance
10. Relocation and displacement requirements
11. Employment and Contracting Opportunities Section 3 Compliance
12. Lead-based paint requirements
13. No use of debarred, ineligible, or suspended contractors or sub-recipients
14. Uniform Administrative Requirements and Cost Principles
15. Conflict of interest prohibitions
16. Compliance with the Architectural Barriers Act and the Americans with Disabilities Act
17. Compliance with Eligibility Restrictions for certain resident aliens
18. Federal reporting requirements
19. Grantee and Subrecipient monitoring requirements

B. Relocation Plan requirement

Applicants engaging in project-specific activities that may or will cause the temporary or permanent relocation and displacement of individuals, property, or businesses, must provide a project-specific relocation plan as part of the application. The plan must meet the standards established in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). Applicants must successfully

demonstrate that they have met URA requirements prior to the start of the project or displacement activity. Applicants should include relocation costs in project budgets.

Applicants must provide General Information Notices to individuals who may be displaced if the activity in the grant application is funded. This plan must outline how the Grantee will enforce and manage the project's temporary relocation and displacement activities and estimate what relocation benefits will be required so those costs can be included in the project's development budget.

C. Procurement

Pursuant to 24 CFR §570.489(g), all Grantees must comply with federal procurement requirements. HCD will review the Grantee's procurement documents for services (i.e., administrative sub-contractor, Davis-Bacon consultant, etc.) at time of monitoring.

Requirements for federal procurement can be found at 2 CFR §§200.317-326. Applicants are responsible for meeting all federal procurement standards for goods and services funded through federal programs. Failure to meet procurement requirements may result in disqualification, recapture of federal funds, and debarment.

D. Subrecipient risk assessment

For Subrecipient risk assessment, as required in 84 FR 45838, Eligible Applicants are required to comply with the requirements, requests, and results of completed risk assessment and maintain the capacity to carry out disaster recovery and mitigation activities in a compliant and timely manner.

XIX. Appendices

Appendix A: Map of the MID

