

Grantee: California

Grant: B-13-DS-06-0001

October 1, 2023 thru December 31, 2023

Grant Number: B-13-DS-06-0001	Obligation Date:	Award Date:
Grantee Name: California	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$70,359,459.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$70,359,459.00	Estimated PI/RL Funds:	
Total Budget: \$70,359,459.00		

Disasters:

Declaration Number

No Disasters Found

Narratives

Executive Summary:

The 2013 Rim Fire destroyed 257,314 acres of land in Tuolumne County and ranks as the third largest wildfire in State history. The fire burned for over two months through large portions of the Stanislaus National Forest, threatening surrounding communities and damaging the critical watershed for local communities, the San Joaquin Valley, and San Francisco (City/County). Unfortunately, the Rim Fire is not an isolated incident. In 2016, a total of 2,986 fires consumed 564,835 California acres. Despite a record snowfall, 2,134 fires have consumed 22,817 acres in California during the period between January 1 and June 18, 2017.

The Rim Fire’s direct emergency response cost was \$127 million and estimates of environmental damage range up to \$736 million. In September 2015, the Valley and Butte Fires burned over 145,000 acres, destroyed 2,728 structures and resulted in 7 deaths. California’s prolonged severe drought and related epidemic tree mortality magnifies risk, coupled with 2017’s above average rain and snow fall levels which creates fuel loading grasses and vegetation that can readily be ignited in summer thunderstorms.

Fires have serious consequences for local communities, including public health impacts, property damage, and economic disruption. They also threaten the backbone watersheds of the State’s water system; sixty percent of the State’s water supply originates in California’s Sierra Nevada region.

The Community and Watershed Resilience Program (CWRP) provides an innovative, revenue-generating, scalable, and replicable model for similar regions throughout California and the western United States. Developed in partnership with federal and local government agencies, community organizations, and private business, the CWRP is built around partnerships and practices designed to overcome the financial and institutional barriers to sustainable, healthy forests and watersheds. The CWRP will also facilitate the transition to a sustainable forest economy in our rural communities.

The State of California’s Community and Watershed Health Resilience Program is composed of activities in three complementary pillars: 1). Forest and Watershed Health Project (FWHP) five activities include: fuels reduction and biomass removal, noxious weed abatement, rangeland infrastructure restoration, fuel break expansions, and reforestation within the Rim Fire burn area, designed to improve forest and watershed health and resilience against disturbances; 2). The Biomass Utilization Fund (“BUF”) will provide low cost financing to economic development projects that utilize low value forest waste removed from local forests to assist in reducing wildfire fuel loads. The BUF program will also provide financing for public facility projects that are able to install and utilize alternative energy generation; and 3). Up to two Community Resilience Centers, designed to increase community resilience by providing year round services, including education and job training to support forest and watershed work and the biomass facility. These facilities will be a model for serving rural communities.

HUD granted a limited waiver modifying 42 U.S.C. 5305(c)(2)(A)(i) to the extent necessary to permit the state to use a percentage of not less than 38 percent to qualify activities under the low-and moderate-income area benefit national objective in the August 7, 2017 Federal Register Notice. The demographics of the declared disaster (MID URN) area, includes a high population of seasonal residents and retirees. The area lacks access to education and jobs, 14.5% of the county residents live in poverty, 12% have not completed high school and 51% of the county households are over age 60.

MID-URN Areas:

MID-URN AREAS: The Target Area includes the Rim Fire burn and evacuation and evacuation warning areas (Rim Fire Burn Scar, Evacuation Areas) in Census Tracts 06109002200, 06109004100, 06109003100, 06109003200, 06109004200. The State is incorporating resilience and replicability for forest and watershed health activities. This includes, creating fuel breaks, reforestation, biomass removal, rangeland improvements and noxious weed treatments to reestablish carbon storage in living trees, help prevent future fires, reduce invasive species, and provide jobs and revenue to help build a strong rural economy.

The BUF will provide low cost financing to economic development and public facility projects that provide a marketable end-

use for biomass removed from within the county, lessen Tuolumne County’s reliance on imported energy, reducing greenhouse gases, and producing jobs in the region.

The Community Resilience Centers (CRCs) will provide social resilience to Tuolumne and surrounding counties. Tuolumne County is a regional leader in responding to disasters, with the region’s only food bank and major evacuation center. Therefore, during emergencies in neighboring counties, they often turn to Tuolumne County for support. The proposed resilience centers will be located in communities selected with input from the residents in the County.

The Rim Fire destroyed permanent public infrastructure, including the ingress egress road systems, as well as erosion and landslides that undermine the integrity of the system and wear and tear from ongoing fire recovery efforts have caused additional damage. The Rim Fire destroyed rangelands, fencing, and water troughs that had been in use by cattle ranchers under long-term agreements with the USFS and now prevents grazing in the forest.

The damage from the Rim Fire has long-lasting effects well beyond the forests. Local communities, which are closely linked to the health of forests through timber, wood products, the recreation industry and tourism, continue to suffer from the business losses and closures caused by the fire, the direct public health impacts, and depressed property values. Damage to downstream water storage and supply, as well as the long-term implications for carbon storage, all have global effects. From a regional perspective, the Target Area has experienced regular wildfire events, as shown in the Tuolumne Burn History Map. The 1987 Complex Fire burned 157,000 acres in Tuolumne County, much of which burned again in the Rim Fire. Natural regeneration of trees following wildfires that burn as hot as the Complex and Rim fires is often insufficient, resulting in conversion from forest to grass and shrub lands, which are more susceptible to high severity fires and store substantially less carbon than healthy forests. (Maps identified in this section are located in the NDRC application, which is posted on the State of California’s Department of Housing and Community Development NDR website.)

Key Agencies, Partners, Positions, Personnel:

Awardee:
State of California Department of Housing and Community Development
Division of Federal Financial Assistance
Geoffrey Ross, Deputy Director
Jessica Hayes, Disaster Recovery Branch Chief
Susan Naramore, Specialist II
Patrick Talbott, HCD Representative II

Current Primary Project Management and Implementation Responsibilities:
California Department of Housing and Community Development (HCD) Patrick Talbott, HCD Representative II and Susan Naramore, HCD Specialist II

Technical Assistance and Collaborative Project Partnerships between federal, state and local agencies: The Sierra Nevada Conservancy (SNC)
Angela Avery, Executive Officer
Elliott Vander Kolk, NDRC Project Coordinator

Fuel Break Activities:
California Department of Forestry and Fire Protections (CAL FIRE) Matthew Reischman, Assistant Deputy Director

Community Resilience Center:
Tuolumne County
Maureen Frank, Deputy County Administrator

United States Forest Service
Michael Jow, Rim Fire Restoration Coordinator

California Conservation Corp
Amy Cameron, Chief Deputy Director

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$246,000.00	\$70,359,459.00
Total Budget	\$246,000.00	\$70,359,459.00
Total Obligated	\$0.00	\$69,613,459.00
Total Funds Drawdown	\$3,249,461.06	\$48,673,689.74
Program Funds Drawdown	\$3,249,461.06	\$48,673,689.74
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$3,070,518.89	\$48,671,688.90
HUD Identified Most Impacted and Distressed	\$0.00	\$8,732,420.09

Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
CA Attorney General	\$ 0.00	\$ 0.00
State of California - HCD/CDBG	\$ 0.00	\$ 0.00
State of California � CDBG-NDR Program	\$ 0.00	\$ 862,891.80
The Beck Group, Inc.	\$ 0.00	\$ 172,755.00
United States Forest Service	\$ 0.00	\$ 20,591,621.29
California Conservation Corps	\$ 0.00	\$ 246,412.25
California Department of Forestry and Fire Protection	\$ 0.00	\$ 88,519.00
Civix-GCR Inc.	\$ 0.00	\$ 781,201.91
County of Tuolumne	\$ 1,834.53	\$ 18,508,527.62
HELIX Environmental Planning, Inc.	\$ 0.00	\$ 329,940.00
Rural Community Assistance Corporation	\$ 3,060,096.76	\$ 6,385,019.43
Sierra Nevada Conversancy	\$ 8,587.60	\$ 704,800.60
State of California - CDBG Administration	\$ 0.00	\$ 0.00

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	50.00%	58.19%	36.28%
Overall Benefit Amount	\$32,499,696.00	\$37,825,156.00	\$23,581,018.66
Minimum Supporting Leverage	\$.00	\$.00	\$.00
Minimum Direct Leverage	\$.00	\$.00	\$.00
Limit on Public Services	\$10,553,918.85	\$.00	\$.00
Limit on Admin/Planning	\$14,071,891.80	\$5,360,067.00	\$3,726,125.54
Limit on Admin	\$.00	\$3,517,973.00	\$2,575,844.46
Most Impacted and Distressed	\$70,359,459.00	\$70,186,704.00	\$8,732,420.09

Overall Progress Narrative:

The Community and Watershed Resilience Program (CWRP) continues to progress toward its overall goal of supporting community protection and resilience from future wildfires. To date, the program has expended over half of its entire grant allocation, and the two Community Resilience Centers (CRCs) are operational. This quarter two projects were started under the Biomass utilization grant with one project scheduled to start construction in the first quarter of 2024. This quarter the BioMass toolkit was published, serving as a resoruce for detailing BUF projects. As HCD starts to prepare for grant closeout, the activity toolkits and story map initial drafts are complete and in final review stage in an effort to support the replicability of these efforts in the future.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
17-NDR-01, NDR Administration	\$4,410.32	\$3,517,973.00	\$2,575,844.46
17-NDR-02, Community Resilience Centers	\$1,834.53	\$18,767,250.00	\$18,175,469.62
17-NDR-03, NDR Forest & Watershed Health	\$0.00	\$27,174,236.00	\$21,366,545.54
17-NDR-04, NDR-Biomass Utilization Fund	\$3,243,216.21	\$20,900,000.00	\$6,555,830.12
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
NDR-LTC, Long-Term Commitments	\$0.00	\$0.00	\$0.00
NDR-OV, NDR Outcome Values	\$0.00	\$0.00	\$0.00
NDR-SL, Supporting Leverage	\$0.00	\$0.00	\$0.00

Activities

Project # / 17-NDR-01 / NDR Administration



Grantee Activity Number: NDR - Adm - GCR/Civix
Activity Title: NDR - Adm - GCR/Civix

Activity Type: Administration	Activity Status: Under Way
Project Number: 17-NDR-01	Project Title: NDR Administration
Projected Start Date: 02/28/2017	Projected End Date: 06/30/2023
Benefit Type: N/A	Completed Activity Actual End Date:
National Objective: NA	Responsible Organization: Civix-GCR Inc.

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	\$0.00	\$772,051.00
Total Budget	\$0.00	\$772,051.00
Total Obligated	\$0.00	\$772,051.00
Total Funds Drawdown	\$1,161.05	\$772,051.00
Program Funds Drawdown	\$1,161.05	\$772,051.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$781,201.91
Civix-GCR Inc.	\$0.00	\$781,201.91
Most Impacted and Distressed Expended	\$0.00	\$670,284.34

Activity Description:
General administration, capacity building and providing technical assistance to CA and our grantees in administering NDR funds in compliance with all federal and state laws, regulations and policies.

Location Description:
County of Tuolumne census tracts are reflected in the following list of type; code; name; and sheets:
TRACT;06109001100;11;1 TRACT;06109001200;12;1 TRACT;06109002100;21;1 TRACT;06109002200;22;1
TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1 TRACT;06109004200;42;1
TRACT;06109005100;51;1 TRACT;06109005201;52.01;1 TRACT;06109985202;9852.02;1

Activity Progress Narrative:
GCR/MB3, Inc. dba Civix continues to provide administrative support to HCD by supporting the activity working groups. Civix continues to facilitate the Core Team meetings which have now moved to a quarterly calendar and participate in regular activity working groups. Civix is also supporting a grant wide budegt reconciliation between systems. A contract amendment has been completed to increase the budget and extend the contract through the end of the NDR grant deadline in 2025 in order for Civix to provide support with grant closeout.

Financial reporting for this activity in 2023 Q4 shows a variation between “Program Funds Drawdown” and “Total Funds Expended.” This is the result of a timing difference wherein

DRGR shows drawdowns that were completed in DRGR and LOCCs in 2023 Q4, but that HCD incurred during 2023 Q3 and therefore reported on in the 2023 Q3 QPR.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents:	None
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Grantee Activity Number: NDR - Adm - SNC

Activity Title: NDR - Adm - SNC

Activity Type:	Activity Status:
Administration	Under Way
Project Number:	Project Title:
17-NDR-01	NDR Administration
Projected Start Date:	Projected End Date:
05/30/2017	09/30/2023
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
NA	Sierra Nevada Conversancy

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	\$0.00	\$1,129,383.00
Total Budget	\$0.00	\$1,129,383.00
Total Obligated	\$0.00	\$1,129,383.00
Total Funds Drawdown	\$3,249.27	\$514,291.27
Program Funds Drawdown	\$3,249.27	\$514,291.27
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$3,249.27	\$514,291.27
Sierra Nevada Conversancy	\$3,249.27	\$514,291.27
Most Impacted and Distressed Expended	\$0.00	\$507,980.00

Activity Description:

General administration activity tasks in SNC agreement and providing additional capacity for HCD staff in getting general admin work done with subgrantees under Forest and Watershed Health activities three party agreements and Biomass Utilization Fund three party agreement.

Location Description:

County of Tuolumne census tracts are reflected in the following list of type; code; name; and sheets:
TRACT;06109001100;11;1 TRACT;06109001200;12;1 TRACT;06109002100;21;1 TRACT;06109002200;22;1
TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1 TRACT;06109004200;42;1
TRACT;06109005100;51;1 TRACT;06109005201;52.01;1 TRACT;06109985202;9852.02;1

Activity Progress Narrative:

SNC continues its coordination and leadership work with the FWHP and BUF activity partners, through participation in regular work group meetings, reviewing work plans, budget and contract amendments, activity reports and funds requests, and on-site visits, where needed.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Project # / 17-NDR-02 / Community Resilience Centers

Grantee Activity Number: 17-NDR-02b

Activity Title: NDR Tuolumne Community Resilience Centers

Activity Type:

Acquisition, construction,reconstruction of public facilities

Project Number:

17-NDR-02

Projected Start Date:

05/01/2017

Benefit Type:

Area (Census)

National Objective:

Low/Mod

Activity Status:

Under Way

Project Title:

Community Resilience Centers

Projected End Date:

02/29/2024

Completed Activity Actual End Date:

Responsible Organization:

County of Tuolumne

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	\$0.00	\$18,201,011.00
Total Budget	\$0.00	\$18,201,011.00
Total Obligated	\$0.00	\$18,201,011.00
Total Funds Drawdown	\$1,834.53	\$17,609,230.62
Program Funds Drawdown	\$1,834.53	\$17,609,230.62
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$1,834.53	\$17,609,230.62
County of Tuolumne	\$1,834.53	\$17,609,230.62
Most Impacted and Distressed Expended	\$0.00	\$886,332.00

Activity Description:

The CRC feasibility study determined that additional funding would be needed to build two facilities. HCD was able to obligate an additional \$5.5 million dollars in Neighborhood Stabilization Program (NSP) State Program Income funds, to add to the \$18 million in NDR funds for the CRC to allow for the second CRC to be constructed. The \$5.5 million in NSP funds is committed to the Groveland CRC, which has additional development costs. The two CRC facilities are currently in construction with a completion date of fall 2022.

Upon completion of construction the two Community Resilience Centers (under the public facility activity) will provide a number of different year-round public services (food distribution, education and employment training) to the residents of Groveland and Tuolumne. During emergencies, the CRCs will provide evacuation and resources for residents in the Rim Fire impacted area of Tuolumne County and the surrounding areas.

Location Description:

The CRC feasibility study will determine the location of the two facilities in the unincorporated communities of Tuolumne and Groveland. The Groveland address is 18986 Ferretti Road in Groveland California 95321. The Tuolumne address is 18241 Bay Avenue Tuolumne California 95379.

County of Tuolumne census tracts are reflected in the following list of type; code; name; and sheets:
TRACT;06109002200;22;1 TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1
TRACT;06109004200;42;1

Activity Progress Narrative:

Closeout activities commenced this quarter including holding the formal public hearing to close out the NDR grant project. Final monitoring occurred this quarter of financial management, Section 3 and labor standards with no findings. Finalizing and reconciling final funds request and working on providing remaining required

documents. For construction activites, the notice of competition as approved by the Board of Supervisors and recorded. The Contractor paid the retention portion of their contract. Continued work was done to get all Partner Lease Agreements signed and Partners moved into the facilities.

Section 3: Project did not meet the minimum threshold numbers. As part of the monitoring event in October, documentation of Section 3 qualitative efforts was reveiwd and accepted as meeting the section 3 guidance on qualitative efforts.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of public facilities	0	2/2

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents:	None
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Project # /	17-NDR-03 / NDR Forest & Watershed Health
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Grantee Activity Number: 17-NDR-03

Activity Title: NDR-Forest & Watershed Health- HCD

Activity Type:	Activity Status:
Administration	Cancelled
Project Number:	Project Title:
17-NDR-03	NDR Forest & Watershed Health
Projected Start Date:	Projected End Date:
09/24/2017	08/31/2023
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
NA	State of California - HCD/CDBG

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	(\$246,000.00)	\$0.00
Total Budget	(\$246,000.00)	\$0.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
State of California - HCD/CDBG	\$0.00	\$0.00
State of California & CDBG-NDR Program	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

Funds set aside by HCD to pay for the Earth Island Lawsuit

Location Description:

Throughout the 254,000 acre Rim Fire burn scar. Census tract numbers for theForest and Watershed Health project are 06109003100 and 06109003200.

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# acres of bio-mass removed	0	0/0

# acres successfully reforested	0	0/0
# of non-invasive species trees	0	0/0
# of trees planted in project	0	0/0
# seedlings on the landscape	0	0/0
# seedlings on the landscape	0	0/0
# seedlings on the landscape	0	0/0

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Grantee Activity Number: 17-NDR-03e

Activity Title: NDR Forest & Watershed Health CCC

Activity Type:	Activity Status:
NDR - Environmental Value	Completed
Project Number:	Project Title:
17-NDR-03	NDR Forest & Watershed Health
Projected Start Date:	Projected End Date:
04/30/2020	09/30/2023
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
Urgent Need	California Conservation Corps

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	\$0.00	\$330,000.00
Total Budget	\$0.00	\$330,000.00
Total Obligated	\$0.00	\$330,000.00
Total Funds Drawdown	\$0.00	\$246,412.25
Program Funds Drawdown	\$0.00	\$246,412.25
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$246,412.25
California Conservation Corps	\$0.00	\$246,412.25
Most Impacted and Distressed Expended	\$0.00	\$27,619.90

Activity Description:

Five activities will take place under the FWHP: 1) fuels reduction and biomass removal; 2) noxious weed abatement; 3) reforestation/tree planting; 4) rangeland infrastructure replacement of fencing, cattle guard crossings, corrals and drinking troughs; 5) expansion of fuel breaks on public and private lands. The FWHP activities will start with noxious weed treatments and fuels reduction activities, including a limited amount of biomass removal. The fuels reduction and weed treatments will be in preparation for tree planting. Rangeland replacement infrastructure will be done with USFS staff, contractors and California Conservation Corp. (CCC) staff. Specifically, fence replacement to allow for cattle grazing. Activity includes removal of existing damaged fencing and reconstructing fences in compliance with USFS standards. These activities will support healthy, resilient forests through restoration, reforestation and other science-based investments to ensure ecosystems health.
Unique CCC employees engaged on the Rangeland project = 44

Location Description:

Throughout the 254,000 acre Rim Fire burn scar. Census track numbers for the Forest and Watershed Health project are 06109003100 and 06109003200

Activity Progress Narrative:

Agreement has been completed. Overall, 10.3 miles of fence improved/built. After inspection and minor repairs, USFS range specialist determined that 5.4 miles of fence did not need full repair/rebuild due to a lack of need. In February 2023, USFS, SNC, CCC, and HCD mutually agreed that the project was complete and no further work would be completed.
Section 3: No new hiring was done for the Rangeland work, they made use of existing Corps memebers. Wages

paid to Corp members would qualify them as LMI.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of miles of protective fencing	10	20/10

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents:None

Project # / 17-NDR-04 / NDR-Biomass Utilization Fund

Grantee Activity Number: 17-NDR-04a

Activity Title: Planning - Biomass Utilization Fund

Activity Type:	Activity Status:
Planning	Under Way
Project Number:	Project Title:
17-NDR-04	NDR-Biomass Utilization Fund
Projected Start Date:	Projected End Date:
04/01/2017	08/30/2025
Benefit Type:	Completed Activity Actual End Date:
Area (Census)	
National Objective:	Responsible Organization:
NA	Rural Community Assistance Corporation

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	\$0.00	\$1,000,000.00
Total Budget	\$0.00	\$1,000,000.00
Total Obligated	\$0.00	\$1,000,000.00
Total Funds Drawdown	\$51,587.56	\$407,284.08
Program Funds Drawdown	\$51,587.56	\$407,284.08
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$475,358.72
Rural Community Assistance Corporation	\$0.00	\$475,358.72
State of California ¿ CDBG-NDR Program	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$50,433.53

Activity Description:

RCAC will use these planning funds to create a Biomass Utilization Toolkit. The toolkit will provide documentation of the Biomass Utilization Fund development and implementation with sample documents, best practices and lessons learned from working with businesses in this industry sector. The toolkit will be made available to interested parties who wish to develop biomass facilities in their communities.

RCAC will use these activity funds to conduct other planning and capacity building that supports the BUF development and implementation.

Location Description:

The location of the Biomass facility(ies) will not be known until the feasibility study has been completed. Until the location is know, the number of persons (Low, Mod and non-Low/Mod) will not be known (if the project moves forward as a public facility, which will not be known until the feasibility study is completed). Percentages of Low/Mod persons within Toulumne County do not meet or exceed 51%; a waiver for the Low/Mod percentages has been requested from HUD.

If the feasibility study indicates the best path for developing the Biomass facility is to make a loan to a for- or non-profit business, the national objective will be jobs and the number of total and low- and/or moderate-jobs created will be reported.

This planning activity will be conducted throughout the County of Tuolumne, census tracts reflected in the following list of type; code; name; and sheets:
TRACT;06109001100;11;1 TRACT;06109001200;12;1 TRACT;06109002100;21;1 TRACT;06109002200;22;1
TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1 TRACT;06109004200;42;1
TRACT;06109005100;51;1 TRACT;06109005201;52.01;1 TRACT;06109985202;9852.02;1

Activity Progress Narrative:

This quarter the toolkit was published. The toolkit serves as a resource detailing the BUF projects, the funding process, lessons learned and program goals.
The Impact Finance Center concluded its engagement in providing RCAC with capacity building assistance to grow a network of impact investors who can close the persistent financing gap presented by biomass businesses applying to the Healthy Forest Loan Fund.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of community engagement	0	3/22
# of Plans or Planning Products	0	2/1

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents:	None
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Grantee Activity Number: 17-NDR-04b

Activity Title: NDR Biomass Utilization Fund

Activity Type:	Activity Status:
NDR - Environmental Value	Under Way
Project Number:	Project Title:
17-NDR-04	NDR-Biomass Utilization Fund
Projected Start Date:	Projected End Date:
05/01/2017	08/30/2025
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
Low/Mod	Rural Community Assistance Corporation

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	\$0.00	\$19,016,911.00
Total Budget	\$0.00	\$19,016,911.00
Total Obligated	\$0.00	\$19,016,911.00
Total Funds Drawdown	\$3,186,290.32	\$5,909,660.71
Program Funds Drawdown	\$3,186,290.32	\$5,909,660.71
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$3,060,096.76	\$5,909,660.71
Rural Community Assistance Corporation	\$3,060,096.76	\$5,909,660.71
State of California ¿ CDBG-NDR Program	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

Activity was deemed feasible based on the 2019 Beck Group biomass feedstock and feasibility studies. HCD determined that NDR funding would be able to facilitate the development of several small-scale Biomass Utilization projects, without having an adverse impact on existing Biomass projects in the county. HCD will not be responsible for project site selection, as that will be left to project developers.

Activity delivery started in 2020 when HCD entered into an agreement with RCAC to administer the NDR Biomass Utilization Fund and work with SNC and a team of professionals to solicit economic development project proposals that meet NDR eligibility standards. RCAC will use NDR funded projects to create a revolving loan fund that can be used in other areas of the state for similar BUF projects. Support of BUF projects that use biomass from rural forested areas will lead to higher wildfire resiliency in the future and increased community fire protection, while at the same time increasing community resilience by creating job opportunities and alternative energy sources when larger power grid is shut down.

BUF project proposals will be screened by RCAC and their team for financial feasibility as well as CDBG-NDR regulatory compliance. As such, each BUF project being reviewed will go through a regulatory compliance review by HCD and the Core Team, prior to submittal to RCAC Loan Committee for financial review and approval of financing terms. HCD will act a Responsible Entity (RE) for completion of each project's environmental review under National Environmental Policy Act (NEPA) and ensure each approved project meets all other CDBG-NDR federal overlay compliance standards.

Activity expansion in September 2021 action plan non-substantial amendment is based on information and insights from the completed Beck Group feasibility studies, the BUF Request for Information (RFI) process, the NDR grant timeline and discussion with HUD. Based on all the data and information/guidance from these

sources, HCD is expanding the BUF program from just funding economic development projects, to allowing for public facility projects to be funded. The BUF program will also be expanded to allow for other alternative sources of energy to be developed, not just biomass. Thus, the expanded Activity under this amendment will allow all different types of Alternative Energy projects proposed by private business, public entity and public facility developers. The Activity expansion will further advance the original goals and objectives outlined in the Phase Two Application: to provide economic development opportunities; to provide clean power, cooling and heating and cultivate development of local energy generation; to repurpose excess biomass from local forested lands as an alternative to open burning; and produce jobs in the region. In addition, the Activity expansion allows for increased resilience in the county and greater chance of replicability throughout the state. The BUF activity expansion under this 2021 non-substantial amendment provides financial assistance to support development of projects that include Alternative Energy generation other than biomass. The Alternative Energy project will lead to creation of redundant power supplies needed by local citizen during power shutdowns. Project proposing Alternative Energy production will also create/expand resilience by providing local jobs and generating clean power for heating and cooling. The creation of energy from these projects may produce additional revenue streams through the sale of energy back to regional utility companies,

The Activity expansion will provide grant or loan funding for BUF projects that support removal and commercial use of biomass feedstock from the local forests and other areas or Alternative energy development projects that create redundant sources of energy generation. The determination of whether to issue a grant or loan for a qualifying BUF ED or public facility project using biomass or other Alternative Energy process will be based on BUF program guidelines and specifically, project underwriting analysis that documents the ability of each project to support dept payment. Because of differences between biomass and Alternative Energy projects, RCAC will develop separate project standards in the BUF guidelines that reflect the compliance standards for each type of project.

Location Description:

The location of Biomass Utilization Fund (BUF) projects will be limited to Tuolumne County. The 2019 biomass feedstock and feasibility studies identified certain areas of the county that would be more advantageous in site selection but did not pick out any specific project sites. HCD will be utilizing Rural Community Assistance Corporation (RCAC) to administer the BUF, and RCAC will require project developers to identify specific sites in their funding proposal. County of Tuolumne census tracts are reflected in the following list of type; code; name; and sheets: TRACT;06109002200;22;1 TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1 TRACT;06109004200;42;1

Activity Progress Narrative:

Two projects - TBI/Force Energy Corp and TBLLC/Heartwood - are under way. Key actions include purchasing major systems and equipment, finaling system designs, and securing construction and operating permits. TBLLC anticipates construction will start in Q1-2024; site work has already begun. TBI anticipates construction will start next year.

Section 3 and LMI Jobs training and hiring work is underway with the local workforce development agency for both projects. Both projects were the victims of wire fraud. Borrowers and Subrecipeint have worked to improve security and ensure accuracy of wire information. Funds were recovered in one instance. RCAC believes the projects may have been targeted as a result of the press releases on the funding awards.

Financial reporting for this activity in 2023 Q4 shows a variation between "Program Funds Drawdown" and "Total Funds Expended." This is the result of a timing difference wherein DRGR shows drawdowns that were completed in DRGR and LOCCs in 2023 Q4, but that HCD incurred during 2023 Q3 and therefore reported on in the 2023 Q3 QPR.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of community meetings	0	0/22
# of tons bio-mass processed	0	0/2737
# of tons bio-mass processed	0	0/5475

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None



Grantee Activity Number: 17-NDR-04d

Activity Title: NDR Biomass Utilization Fund

Activity Type:	Activity Status:
NDR - Environmental Value	Under Way
Project Number:	Project Title:
17-NDR-04	NDR-Biomass Utilization Fund
Projected Start Date:	Projected End Date:
05/30/2017	10/31/2025
Benefit Type:	Completed Activity Actual End Date:
N/A	
National Objective:	Responsible Organization:
Low/Mod	Sierra Nevada Conversancy

Overall	Oct 1 thru Dec 31, 2023	To Date
Total Projected Budget from All Sources	\$0.00	\$107,234.00
Total Budget	\$0.00	\$107,234.00
Total Obligated	\$0.00	\$107,234.00
Total Funds Drawdown	\$5,338.33	\$62,127.33
Program Funds Drawdown	\$5,338.33	\$62,127.33
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$5,338.33	\$65,995.33
Sierra Nevada Conversancy	\$5,338.33	\$65,995.33
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The creation of a Biomass Utilization Fund (BUF) allows RCAC to provide affordable financing to developers who have a financially viable business proposal that meets all CDBG and NDR eligibility standards. The BUF funding can also be used to fund public facility projects in the county that seek to develop alternative sources of energy for their projects. SNC staff will be working with RCAC to administer the BUF and qualify both economic development projects and public facility projects that meet NDR eligibility standards.

Location Description:

The location of the Biomass facility will be determined by the feasibility study. The site selection will begin in September, 2018.

County of Tuolumne census tracts are reflected in the following list of type; code; name; and sheets:
TRACT;06109002200;22;1 TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1
TRACT;06109004200;42;1

Activity Progress Narrative:

SNC continues its support of RCAC and the BUF projects. This quarter, SNC facilitated regular meetings with the team to ensure projects were advancing, and supported RCAC submitting financial reports for each of the approved projects and exploring process improvements.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources

No Other Funding Sources Found

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Activity Supporting Documents: None

Monitoring, Audit, and Technical Assistance

Event Type	This Report Period	To Date
Monitoring, Audits, and Technical Assistance	0	8
Monitoring Visits	0	8
Audit Visits	0	0
Technical Assistance Visits	0	0
Monitoring/Technical Assistance Visits	0	0
Report/Letter Issued	0	8