



COMMUNITY DEVELOPMENT
BLOCK GRANT (CDBG) &
HOME INVESTMENT
PARTNERSHIPS (HOME)

NOFA WORKSHOP

DECEMBER 13, 2023



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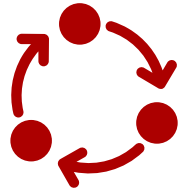
INTRODUCTIONS

Subrecipients

Town of Apple Valley, Silvia Urenda

MDG Associates, Inc., Daniel Perez





NOFA SCHEDULE

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NOFA SCHEDULE

- **NOFA Published – 12/01/2023 & 12/08/2023**
- **NOFA Workshop – 12/13/2023**
- **Applications Available – 12/13/2023**
- **Applications Due – 01/25/2024 (no later than 4:30 p.m.)**
- **CDCAC Review Apps – 02/08/2024 thru 02/15/2024**
- **CDCAC Funding Recommendations – 02/15/2024**
- **Action Plan to Town Council – Second Meeting in April 2024**





CONSOLIDATED PLAN



CONSOLIDATED PLAN | OVERVIEW

- **The Consolidated Plan is the effort to roll into one process and one document the planning, application and performance reporting requirements of HUD grant programs.**
- **The Consolidated Plan requires a jurisdiction to identify all its housing and community development needs, and then establish a long-term strategy for meeting those needs.**



CONSOLIDATED PLAN | EVALUATION & ASSESSMENT

- **The first section of the plan evaluates the housing and community development needs of the community.**
- **This includes an assessment of housing needs for low-and moderate-income families, including the needs of homeless individuals and families.**



CONSOLIDATED PLAN | STRATEGIC PLAN

Based on the information identified in the needs assessment, a five-year strategic plan is developed which includes priorities, objectives and accomplishments that are expected to be achieved during the timeframe of the plan.



CONSOLIDATED PLAN | ANNUAL ACTION PLAN

The annual action plan describes all the activities that the jurisdiction intends to fund with CDBG and HOME funds in the upcoming year.





CITIZEN PARTICIPATION



CITIZEN PARTICIPATION | OVERVIEW

- **The residents of the community are requested to provide input regarding the most important needs that should be funded. This input will establish priorities to guide the CDCAC in making funding recommendations to the Town Council.**
- **The Consolidated Plan and/or Annual Action Plan is published for 30 days. The jurisdiction considers public comments, and elected officials vote and adopt the final plan. It is sent to HUD for approval.**





CDBG/HOME PURPOSE



CDBG/HOME | PURPOSE

- **Decent Housing**
- **A suitable living environment**
- **Expanding economic development**

Principally to benefit persons of low and moderate income



CDBG/HOME | PURPOSE

- **Does the activity meet a Consolidated Plan – Strategic Plan Objective?**
- **Is the activity eligible?**
- **Does the activity meet a National Objective?**
- **Does the Subrecipient have the capacity to administer the grant?**





COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)





ELIGIBLE ACTIVITIES



ELIGIBILITY | PUBLIC SERVICE ACTIVITIES

To be eligible, a Public Service activity must be concerned with:

Public Services

- Eligible pursuant to 24 CFR 570.201(e)
- Employment, crime prevention, childcare, health, drug abuse, education, fair housing counseling, energy conservation, welfare (excludes income payments), homebuyer counseling, and recreational needs



ELIGIBILITY | PUBLIC SERVICE CAP

No more than 15% of the jurisdiction's CDBG money can be used for “public services”. During the 2024-2025 program year, the Town anticipates receiving an annual allocation of \$652,733 (15% = \$97,909). The minimum award for a public service activity is \$10,000.



ELIGIBILITY | PUBLIC SERVICE INELIGIBLE ACTIVITIES

Examples of ineligible activities:

- **Operating & maintenance expenses of Public Facilities**
- **New housing construction**
- **Income payments**





NATIONAL OBJECTIVES



NATIONAL OBJECTIVES | OVERVIEW

To be eligible, an activity must meet one of three National Objectives:

Benefit low- and moderate-income persons (LMI)

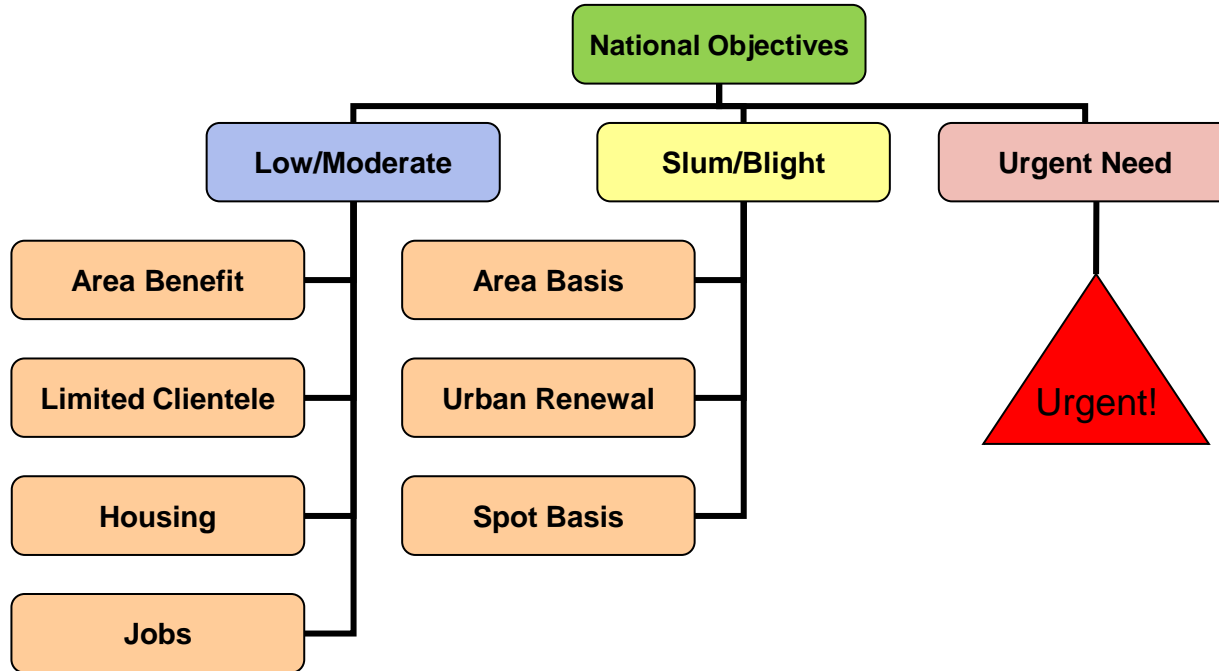
Prevention or elimination of slums or blight (SBA)

Meet a need having particular urgency (UN)



NATIONAL OBJECTIVES | LMC SUBCATEGORIES

How is the LMC National Objective met?



LMC CATEGORY A | PRESUMED GROUPS

Activities that benefit a clientele who are presumed to be LMI, include:

- **Elderly persons (62+)**
- **Abused children/Foster children**
- **Battered spouses**
- **Homeless persons**
- **Severely disabled adults**
- **Illiterate adults**
- **Migrant farm workers**
- **Persons with AIDS**



LMC CATEGORY B | 51% LMI

- **Requires information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the low- and moderate-income limit**
- **Requires income documentation to verify at least 51% LMI participation**



NATIONAL OBJECTIVES | COMPLIANCE

- **Failure to document compliance with the National Objective applicable to your grant makes the activity ineligible and may cause:**
 - **Disallowance of costs, necessitating repayment to the Town of costs already reimbursed**
 - **Denial of pending Reimbursement Requests**
 - **Termination or suspension of the Subrecipient Agreement**





HOME INVESTMENT PARTNERSHIPS (HOME)



CHDO | REQUIREMENT

No less than 15% of a jurisdiction's HOME money is required to be used for Community Housing Development Organization "CHDO" activities. For example (\$911,188 X 15% = \$136,679 available for CHDO projects).



CHDO | DEFINITION

- **A CHDO is a private non-profit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves.**
- **The CHDO must act as the owner, developer or sponsor of the eligible set-aside activity.**



CHDO | REQUIREMENTS

Legal Status

- Organized under state/local law
- Purpose of organization (i.e. provide decent housing)
- No member, founder, contributor or individual benefit
- Clearly defined service area
- Nonprofit status



Organization Structure

- At least 1/3 of the board must be representatives of the low-income community
- No more than 1/3 may be public officials or employees of the Town
- Low-Income input from program beneficiaries



CHDO | REQUIREMENTS

Capacity and Experience

- At least one (1) year of serving the community
- New CHDO's may be sponsored
- Must have experienced key staff in completing similar projects
- Financial accountability



CHDO | ELIGIBLE ACTIVITIES

- **Acquisition/Rehabilitation/New Construction of rental housing**
- **Acquisition/Rehabilitation/New Construction of homebuyer properties**
- **Direct financial assistance to purchasers (i.e. homebuyer assistance)**





MONITORING AND REPORTS

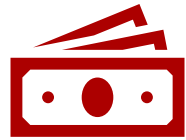
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PROGRAM MANAGEMENT | CLIENT FILES

HUD requires recipients to maintain records providing a full description of each activity assisted with CDBG and HOME funds, including its location, the amount of CDBG/HOME funds budgeted, and the provision under which it is eligible.





POST AWARD



POST AWARD | REIMBURSEMENT

- All payments are reimbursement only, meaning the agency is required to provide proof of payment for all costs incurred under the program.
- Reimbursement request are due on a monthly/quarterly basis.
- The Town has a net 30 on all issuances of completed/audit ready requests for reimbursement.



POST AWARD | REIMBURSEMENT

- Reimbursement may be approved for personnel and non-personnel costs.
- Personnel costs will require the submittal of employee timesheets delineating hours worked directly under the CDBG/HOME program against all hours worked in the pay period.
- Non-personnel costs will require compliance with the procurement procedures as identified by HUD and the Town (i.e. minimum of three written quotes/bids).
- Subrecipients are subject to an annual monitoring (onsite or remotely).





PROPOSAL APPLICATION

www.avhousing.org





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