



2020-2021 Notice of Funding Availability HUD Entitlement Programs

Application Process, Eligibility, Threshold, and
Federal Requirements

June 2, 2020

Introductions

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Agenda

Programs and Planning Overview

Eligibility, Threshold & Federal Requirements

Reimbursement Process

Application Process

Q&A

Programs and Planning Overview

Housing and Urban Development Consolidated Plan Programs

- The City of Fresno is an entitlement jurisdiction
- Four formula grants from the U.S. Department of Housing and Urban Development (HUD)
- Funding to Benefit low- and moderate-income persons through affordable housing and community development
- The City operates programs and implements projects to meet the program objectives
- The City also issues a Notice of Funding Availability (NOFA) requesting applications from eligible organizations to meet program objectives

Four Entitlement Programs

Community Development Block Grant (CDBG)

- Projects, programs, or services to benefit low- and moderate-income persons
- Largest list of eligible activities of the four programs which the City prioritizes through citizen participation during the planning process
- City uses for infrastructure and facilities improvements in low- and moderate-income neighborhoods, housing rehabilitation for eligible individuals, and to operate after school and senior programs
- Additional funds are made available for eligible organizations to apply for (must meet plan priorities to be discussed later in this presentation)

Four Entitlement Programs

HOME Investment Partnerships (HOME)

- Provide affordable housing solutions for low-income persons
- The City partners with developers, Community Housing Development Organizations, and other public agencies to build and rehabilitate affordable housing (a separate NOFA will be provided on June 5 for this purpose- not part of this process)
- Funds for Tenant-Based Rental Assistance are available for eligible organizations to apply for under this Consolidated NOFA (must meet plan priorities to be discussed later in this presentation)

Four Entitlement Programs

HEARTH Emergency Solutions Grant (HESG)

- Benefits homeless and persons at risk of homelessness
- The City partners with the Fresno Madera Continuum of Care (FMCoC) to determine the funding priorities in accordance with the City's plan priorities
- Aside from an administrative amount, the full grant award is made available to eligible applicants

Housing Opportunities for Persons with AIDS (HOPWA)

- Funds Homeless and Homeless Prevention Services for residents with HIV/AIDS
- Aside from an administrative amount, the full grant award is made available to eligible applicants

Planning Process

The 2020-2024 Consolidated Plan was approved by City Council for submission to HUD on 5/21

As a 5-Year Plan Year, the 2020 NOFA was not available until the 5-year strategies were adopted by City Council



Six Consolidated Plan Strategies

1. Provide assistance for the **homeless** and those at risk of becoming homeless through safe low-barrier shelter options, housing first collaborations, and associated supportive services.
2. Improve access to **affordable housing** for low-income and special needs households by partnering with interested developers to increase development of low-income and affordable housing in high opportunity areas, and by promoting the preservation and rehabilitation of existing affordable housing units.

Six Consolidated Plan Strategies

3. Promote quality of life and neighborhood revitalization through improvements to current **public infrastructure and facilities**, and by closing gaps in areas with aging, lower quality, or nonexistent public infrastructure and facilities.
4. Provide **services to low-income and special needs households** that develop human capital and improve quality of life.

Six Consolidated Plan Strategies

5. Provide services to residents and housing providers to **advance fair housing**.
6. Plan and **administer funding** for community development, housing, and homelessness activities with improved transparency, increased community involvement, and full compliance with federal regulations.

Consolidated NOFA Activities

- The 2020-2021 Annual Action Plan approved projects for submission to HUD that address the Consolidated Plan strategies
- The projects are delivered by both City Departments and subrecipients
- Applications for select activities that meet the approved projects are included in the Consolidated NOFA

Consolidated NOFA Activities

Consolidated NOFA Activities Include:

- Owner-Occupied Home Repair
- Homeless and Homelessness Prevention
- Public and Community Services

Additional funding opportunities will be released separately and are not included in the Consolidated NOFA:

- Affordable Housing Development and Substantial Rehabilitation
- Fair Housing Programs

Eligibility, Threshold, & Federal Requirements

Threshold Requirements

- Agencies must meet the threshold criteria below. If an agency cannot provide documentation to demonstrate that it meets all criteria below, the application may not be considered for funding.
 - Eligible Entity
 - 2020 – 2021 NOFA Application Part A
 - 2020 – 2021 NOFA Application Part B
 - Consistency with Consolidated Plan Priorities/Annual Action Plan Projects
 - Eligible Activity
 - Eligible Expenses
 - Financial and Management Systems

Eligible Entity

- A unit of local government serving program beneficiaries residing in the City of Fresno, or;
- A nonprofit corporation that:
 - 1) is incorporated in California or incorporated with a State of the United States, the District of Columbia or a United States Territory and also properly registered as a “Foreign Corporation” with the California Secretary of State; and
 - 2) possesses a 501(C)(3) determination of exempt status. The City will accept an advance determination ruling from the IRS

Eligible Activities

- CDBG funds may be used for activities which include, but are not limited to:
 - Acquisition of real property
 - Relocation and demolition
 - Rehabilitation of residential and non-residential structures
 - Construction of public facilities and improvements, such as water and sewer facilities, streets, and neighborhood centers
 - Public services, within certain limits
 - Activities relating to energy conservation and renewable energy resources
 - Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

Ineligible Activities

- Generally, the following types of activities are ineligible:
 - Acquisition, construction, or reconstruction of buildings for the general conduct of government
 - Political activities
 - Certain income payments
 - Construction of new housing (with some exceptions)

Eligibility Resources

- <https://www.hudexchange.info/onecpd/assets/File/CDBG-National-Objectives-Eligible-Activities-Chapter-3.pdf>
- <https://www.hudexchange.info/onecpd/assets/File/CDBG-State-National-Objectives-Eligible-Activities-Chapter-2.pdf>

Federal Requirements

- Written Policies and Procedures
- Environmental Review / Lead Paint Requirements
- Procurement
- Property/Asset Management
- Audit Requirements
- Recordkeeping

Written Policies and Procedures

- Required under Uniform Administrative Requirements 2 CFR 200
 - Written Policies and Procedures
 - Financial Management Standards
 - Internal Control
 - Procurement
 - Cost Principles
 - Property Standards
 - Recordkeeping
 - Audit Requirements

Written Policies and Procedures

- Program Policies
 - Applicant Intake and Eligibility Determination
 - Equal Opportunity & Nondiscrimination
 - Faith-Based Requirements, if applicable
 - Conflict of Interest
 - address disciplinary actions
 - address organization conflict with parent organization, if applicable
 - Must notify City of any conflict

Environmental Review and Lead-Based Paint Requirements

- Environmental Review
 - Responsibility of City
 - Awards can be revoked if “choice-limiting” action is taking before completion of review
- Lead-Based Paint - Housing
 - Pre-Work
 - Notification
 - Assessment - Testing / Presumptions
 - Work
 - Lead Safe Work Practices, Reduction, and Abatement
 - Trained Staff
 - Post-work
 - Clearance

Procurement

- Prevailing Wage Rules
 - All capital projects involving laborers or mechanics
- Minority and Women Owned Business Outreach
 - Document outreach and other efforts
- Section 3
 - Maximum Extent Feasible
- Debarment/Suspension
 - Simple check on website

Property / Asset Management

- Real Property and Equipment must be insured
- CDBG Use of Real Property – 5 years
- Equipment
 - tangible personal property
 - useful life of more than one year
 - per-unit acquisition cost > \$5,000
- Proper control includes inventory controls to prevent against loss, theft, and policies to ensure property and equipment is used for its designated purposes.

Audit Requirements

- Threshold for audit
 - > \$750,000 of federal expenses in fiscal year
 - Need methodology to determine if threshold is met
- Audit Requirements
 - Auditor Selection
 - Audit Standards
 - Submission of Audit
 - Audit Follow Up

Recordkeeping - General

- Safeguards to ensure limited access to files and computer systems to only designated staff
- Retain for four years after closeout except
 - Property purchase/improvement
 - Outstanding monitoring/litigation
 - Access to Records

Recordkeeping – ESG Match

- Document both source and use of contributions made to satisfy the matching requirement in §576.201.
- The records must indicate the particular fiscal year grant for which each matching contribution is counted.
- The records must show how the value placed on third-party, noncash contributions was derived.
- Volunteer services must be supported by the same methods that the organization uses to support the allocation of regular personnel costs.

Reimbursement Process

Reimbursement Process: Overview

- Reimbursement process entails a transfer of grant funds to the subrecipient, based on actual expenditures by the subrecipient, before the request for funds.
- The request is reviewed by grantee staff who will then determine if documentation (receipts, invoices, cancelled checks, etc.) is sufficient or additional documentation is needed.
- Reimbursements are processed within 30 days of receiving a complete reimbursement package.

Financial Management

- Establishing and maintaining a financial system both that serves your agencies needs and meets Federal requirements is essential to avoid overspent budgets or serious audit findings
- Below are required elements of financial systems for managing federal funds:
 - Internal Controls
 - Accounting Records
 - Allowable Costs
 - Source Documentation
 - Budget Controls & Cash management
 - Financial Reporting
- Details of each element can be found here:
 - <https://www.hudexchange.info/onecpd/assets/File/Playing-by-the-Rules-Handbook-CDBG-Subrecipients-Administrative-Systems-Chapter-2.pdf>

Application Process

How to Apply

Application process is presented in detail in the 2020-2021 Consolidated NOFA Handbook

<http://www.fresno.gov/housing>

The NOFA handbook and all application materials are available here.

The screenshot shows a website navigation menu on the left with the following items: Programs, Notice of Funding Available (circled in orange), Plans and Reports, Affordable Housing Programs, Grant Management Resources, Current Annual Action Plan Schedule, Opportunities for Bidders, 5-Year Consolidated Plan, and Expanded. The main content area is titled 'Notice of Funding Available' and contains the following text:

Notice of Funding Available

The City announces various Notice of Funding Availability (NOFA) opportunities throughout the year. Additional details regarding the application process, submission instructions, technical assistance, and selection notification are provided in the NOFA document. As available, current NOFA opportunities are listed on the Notice of Funding Availability webpage.

Notices of Funding Availability (NOFA)

- 2020-2021 Consolidated NOFA – Owner Occupied Home Repair, Homeless and Homelessness Prevention, and Public and Community Services (Due June 22, 2020)
 - 2020-2021 Consolidated NOFA Handbook (circled in orange)
 - [NOFA Application Part A – Organizational Information](#)
 - [NOFA Application Part B – Owner Occupied Home Repair](#)
 - [NOFA Application Part B – Homeless and Homelessness Prevention](#)
 - [NOFA Application Part B – Public and Community Services](#)
 - [NOFA Operating Budget Summary Workbook](#)

How to Apply

All applicants must submit at least one NOFA Application Part A (Organization Information) including all required attachments.

- 501(c)(3) IRS determination of exemption letter
- Articles of incorporation
- Bylaws
- Statement and designation by foreign corporation (required of out-of-state corporations only)
- List of Directors and Officers
- Most recent audited financial statements
- Cost allocation plan (if applicant seeks to charge an indirect cost rate greater than 10 percent of modified total direct costs)
- Resolution of Board of Directors authorizing the application and naming the person or persons authorized to sign the application (required by July 7, 2020)

How to Apply

Specific programs submitted on NOFA Application Part B.

- An organization may submit one or more Part B Applications
- Each Application Part B should include only one program
- Required Attachments:
 - Program-Level Operating Budget Summary
 - Prior-Year Program-Level Financial Statements (required for existing programs)
 - Service Area Map (unless adequately described in Part B Application narrative)
- Optional Attachments:
 - Funding commitment letters (for other sources of funding of specific program)
 - Maximum 2 letters of support

Application Timeline

(dates subject to change)

Tentative Dates	Activity
May 21, 2020	Adoption of 5-year strategic priorities through the 2020-2024 Consolidated Plan, and; Adoption of 2020-2021 Annual Action Plan including funding levels by project
May 22, 2020	Release of Consolidated NOFA
June 2, 2020 1:00 – 2:30 PM	NOFA Webinar: Application Process; Eligibility, Threshold, and Federal Requirements Email HCDD@fresno.gov to register for webinars
June 2, 2020 3:00 – 4:00 PM	NOFA Webinar – Public Services
June 3, 2020 1:00 – 2:00 PM	NOFA Webinar – Homeless and Homelessness Prevention
June 3, 2020 2:30 – 3:30 PM	NOFA Webinar – Owner-Occupied Rehabilitation and Repair
June 22, 2020 4:00 PM	NOFA Applications Due to City
Week of July 7	City staff scores applications
July 20, 2020	Consolidated Plan & Annual Action Plan Approved by HUD (estimated)
August 20, 2020	City Council Consideration of Subrecipient Agreements
August 27, 2020	Notice of Grant Awards (NOGA) distributed to subrecipients
September 24, 2020	Signed NOGAs due to City

Application Submission

Applications Due June 22, 2020 by 4:00 PM (postmarks not accepted)

Submit ONE signed application and ONE digital copy

Planning and Development Department
Attn: Housing and Community Development Division
2600 Fresno Street, Room 3065
Fresno, CA 93721

IF DELIVERING IN-PERSON PLEASE CONTACT US 24 HOURS IN ADVANCE TO ARRANGE RECEIPT

Digital submission options:

1. Email HCDD@fresno.gov (attachments must be under 40 MB)
2. Flash drive with physical submission
3. City FTP upload tool (instructions in handbook appendix)

We recommend you contact the Program Manager for your application upon submission, and contact HCDD@fresno.gov or 559-621-8300 if you do not receive email confirmation of your digital submission within one business day of submission.

Additional Support

The Housing & Community Development Division is available to answer your questions. Please contact the program manager for your application to schedule one-on-one application support between June 8 and June 12.

- **Owner-Occupied Home Repair**
Erica Castaneda, Project Manager, Erica.Castaneda@fresno.gov
- **Homeless and Homelessness Prevention**
Erika Lopez, Project Manager, Erika.Lopez@fresno.gov
- **Public and Community Services**
Austin Robinson, Project Manager, Austin.Robinson@fresno.gov
- **General Inquiries**
HCDD@fresno.gov

Additional Support

- Bookmark <http://www.fresno.gov/housing/#tab-02> and check often for updates
- Email HCDD@fresno.gov to request to be added to the HCD distribution list to receive updates on planning activities
- Attend an upcoming webinar (email HCDD@fresno.gov to register):
 - June 2, 2020, from 3:00 PM – 4:00 PM – Public and Community Services Applications
 - June 3, 2020, from 1:00 PM – 2:00 PM – Homeless and Homelessness Prevention Applications
 - June 3, 2020, from 2:30 PM – 3:30 PM – Owner-Occupied Housing Rehabilitation and Repair Applications

Questions?

Zoom Application:

- Click icon labeled “Participants” at the bottom center of your screen
- At the bottom of the window on the right side of the screen, click the label “Raise Hand.” Your digital hand will now be raised.

Phone:

- Press *9 to be added to the queue

We will unmute you in turn to ask your questions



Thank you!