Application Process, Eligibility, Threshold, and Federal Requirements

February 15, 2022
Introductions

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Agenda

Programs and Planning Overview
Eligibility, Threshold & Federal Requirements
Reimbursement Process
Application Process
Q&A
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 people 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
Community Development Block Grant (CDBG)

- Projects, programs, or services to benefit low- and moderate-income people
- 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)
HOME Investment Partnerships (HOME)

• Provide affordable housing solutions for low-income people

• 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 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)
HEARTH Emergency Solutions Grant (ESG)

- Benefits homeless and people at risk of homelessness
- The City partners with the Fresno Madera Continuum of Care (FMCoC) to recommend 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 people with AIDS (HOPWA)

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

For HUD Program Year 2022 funding July 1, 2022 – June 30, 2023

1. 5-Year Consolidated Plan Sets Priorities
2. Annual Community Needs Assessment
3. City Issues NOFA for Subrecipient Activities to meet Consolidated Plan Goals & Community Needs
4. Applicants Submit Proposals
5. Scoring, Review, Selection; Annual Action Plan 30-day review
7. City Enters into Subrecipient Agreements for Approved Activities
8. City Reports Accomplishment Information to HUD (CAPER: Consolidated Annual Performance Evaluation Report)
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.

5-Year Goals*:

- Provide rental assistance or rapid rehousing for at least 900 people experiencing homelessness
- Provide overnight shelter or street outreach for at least 2,500 people
- Provide public service activities for at least 180 people

*Minimum goals- the city will try to exceed these goals
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.

5-Year Goals*:

• Add at least 130 affordable rental units
• Add at least 50 new homes for low- and moderate-income homebuyers
• Rehabilitate at least 220 homes owned by low- and moderate-income people

*Minimum goals- the city will try to exceed these goals
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.

**5-Year Goals***:

- Improve neighborhood infrastructure or public facilities in low- and moderate-income neighborhoods to benefit at least 50,000 people

*Minimum goals- the city will try to exceed these goals*
Provide services to low-income and special needs households that develop human capital and improve quality of life.

5-Year Goals*:

• Provide public services to benefit at least 11,300 low and moderate-income people

• Provide micro-enterprise technical assistance to at least 200 low- and moderate-income entrepreneurs

*Minimum goals- the city will try to exceed these goals
Priority: Fair Housing and Programmatic Compliance

Provide services to residents and housing providers to advance fair housing.

Plan and administer funding for community development, housing, and homelessness activities with improved transparency, increased community involvement, and full compliance with federal regulations.
• The 2022-2023 Annual Action Plan will include projects and activities that address community needs consistent with the Consolidated Plan priorities

• The projects are delivered by both City Departments and subrecipients

• Applications for select activities are included in the Consolidated NOFA
Consolidated NOFA Activities Include:

• 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
• 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
  • 2022 – 2023 NOFA Application Part A
  • 2022 – 2023 NOFA Application Part B
  • Consistency with Consolidated Plan
  • Eligible Activity
  • Eligible Expenses
  • Financial and Management Systems
  • Active & in Good Standing
  • No Open or Unresolved Findings with Housing Division
  • Location of Activities
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

• State and Federal Status:
  • California Secretary of State: https://businesssearch.sos.ca.gov/
Eligibility Resources

HUD Resources:

• ESG
  • [https://www.hudexchange.info/programs/esg/esg-requirements/](https://www.hudexchange.info/programs/esg/esg-requirements/)

• HOME TBRA
  • [https://www.hudexchange.info/programs/home/topics/tbra/#policy-guidance-and-faqs](https://www.hudexchange.info/programs/home/topics/tbra/#policy-guidance-and-faqs)

• HOPWA
  • [https://www.hudexchange.info/programs/hopwa/hopwa-eligibility-requirements/](https://www.hudexchange.info/programs/hopwa/hopwa-eligibility-requirements/)
CDBG Eligibility Resources

Meeting a National Objective (CDBG)


Eligible Activities (CDBG)


Additional HUD Resources

- https://www.hudexchange.info/programs/cdbg-entitlement/cdbg-entitlement-program-eligibility-requirements/
• The activity must benefit low- and moderate-income (LMI) people.

• Three ways to meet this objective:

1. Activity exclusively serves older adults (62+), illiterate adults, severely disabled adults, migrant farm works, or abused children

2. Activity benefits other people with low- and moderate-incomes not included in option 1 – documentation on every program participant must be kept

3. Activity will only benefit people within a defined service area which is at least 51% comprised of people with low and moderate incomes
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 taken 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
- Minority and Women Owned Business Outreach
  - Document outreach and other efforts
- Section 3
  - Maximum Extent Feasible
- Debarment/Suspension
  - Simple check on website
Property and Asset Management

- Real Property must be insured
- CDBG Use of Real Property
- Proper control includes policies to ensure property and 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
• 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 (full tour of duty timesheets, receipts, invoices, cancelled checks, etc.) is sufficient or additional documentation is needed.

- Reimbursements are processed within 30 days of receiving a complete reimbursement package.
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:

Application Process
How to Apply

Application process is presented in detail in the 2022-2023 Consolidated NOFA Handbook

http://www.fresno.gov/housing

The NOFA handbook and all application materials are available here.
All applicants must submit at least one NOFA Part A: Cover Page 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
- Indirect Cost Rate Agreement with Federal Cognizant Agency (required 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 people authorized to sign the application (required by March 18, 2022)
Specific program information submitted on NOFA Part B: Application.

- 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
- Optional Attachments:
  - Funding commitment letters (for other sources of funding of specific program)
  - Maximum 2 letters of support
- Application-Specific Attachments:
  - Homeless & Homelessness Prevention: ESG Match Questionnaire
  - Public Services/Homeless & Homelessness Prevention: Service Area Map (unless adequately described in Part B Application narrative)
## Application Timeline (dates subject to change)

<table>
<thead>
<tr>
<th>Tentative Dates</th>
<th>Activity</th>
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<tr>
<td>February 4, 2022</td>
<td>Release of Consolidated NOFA</td>
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<tr>
<td>February 15, 2022</td>
<td>NOFA Webinar: Application Process; Eligibility, Threshold, and Federal Requirements</td>
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<pre><code>               | Email [HCDD@fresno.gov](mailto:HCDD@fresno.gov) to register for webinars                         |
</code></pre>
<p>| February 16, 2022     | NOFA Webinar – Non-Profit Public Services                                                          |
| February 17, 2022     | NOFA Webinar – Homeless &amp; Homelessness Prevention                                                 |
| March 4, 2022         | NOFA Applications Due to City                                                                     |
| March 18, 2022        | Resolutions authorizing application submission due to the City                                    |
| March 18, 2022        | Draft 2022-2023 Annual Action Plan Published for 30-day Public Comment (including proposed NOFA subrecipients) |
| April 28, 2022        | City Council Consideration of 2022-2023 Annual Action Plan &amp; Authorization of Subrecipient Agreements |
| May 15, 2022          | Annual Action Plan due to HUD                                                                     |
| Late Spring (Target of June 30, 2021) | Program Leads will work with selected subrecipients to acquire any remaining documentation, complete any required training, establish monitoring plans, conduct environmental studies, and enter into subrecipient agreements (units of local government will receive Notice of Grant Awards). |</p>
Applications Due March 4, 2022 by 4:00 PM

Digital submission options:

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

We recommend you contact the Program Lead 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.
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 February 22-25.

- **Homeless and Homelessness Prevention**
  Erika Lopez, Senior Management Analyst, Erika.Lopez@fresno.gov

- **Public and Community Services**
  Kimberly Archie, Senior Management Analyst, Kimberly.Archie@fresno.gov

- **General Inquiries**
  HCDD@fresno.gov
Additional Support

- Bookmark [www.fresno.gov/housing/#tab-03](http://www.fresno.gov/housing/#tab-03) and check often for updates

- Email [HCDD@fresno.gov](mailto:HCDD@fresno.gov) to request to be added to the HCDD distribution list to receive updates on planning activities

- Attend an upcoming webinar (email [HCDD@fresno.gov](mailto:HCDD@fresno.gov) to register):
  - February 16, 2022, from 2:00 PM – 3:00 PM – Public Services Applications
  - February 17, 2022, from 2:00 PM – 3:00 PM – Homeless and Homelessness Prevention 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
- Press *6 to unmute your phone once called upon
Thank you!