

# 2023-2024 Consolidated NOFA

## Frequently Asked Questions

Last Updated: 1/25/2023

### General

#### Question 1:

Our board meeting isn't until February 16<sup>th</sup>. Do you think there is a way to allow us to submit the board resolution on the 17<sup>th</sup>?

#### Answer:

The deadline for resolutions from an organization's Board of Directors authorizing the submission of an application may be extended on a case-by-case basis. Please email [HCDD@fresno.gov](mailto:HCDD@fresno.gov) to request an extension.

#### Question 2:

Do I need to complete the HUD Financial Management 101, 201, and Advanced Financial Management courses prior to applying for funds?

#### Answer:

No. Certificates that the courses were completed must be submitted prior to the execution of the subrecipient agreement. The target for executing subrecipient agreements for this NOFA is July 1, 2023.

#### Question 3:

In the past, there were activities that were eligible for CDBG funding listed that are not included in this year's NOFA. Are the activities that are listed this year the only activities that are being considered for funding?

#### Answer:

The list of eligible activities has not changed under federal regulations; however, each year the City solicits input from the community to determine the greatest needs.

Applicants may apply to have any federally eligible activity funded within the projects included in the NOFA (Homelessness and Homelessness Prevention, Public and Community Services, Owner-Occupied Rehabilitation, Fair Housing Services, and Public Infrastructure and City Facilities), but the City will give preference to activities that were identified by the community.

#### Question 4:

Where can I find more information that applies to faith-based organizations?

#### Answer:

HUD's September 30, 2003, Final Rule on ensuring equal treatment of Faith-Based organizations in Community Planning and Development (CPD) programs removed barriers to the participation of faith-based organizations in eight of HUD's CPD programs, including the CDBG program.

The amendments made by the Final Rule provide policy on the following:

- Faith-based organizations are eligible for CDBG funding on an equal footing with any other organization.
- Organizations may not use direct CDBG funds to support inherently religious activities such as worship, religious instruction, or proselytization. An organization that is awarded direct HUD funds may still engage in inherently religious activities providing they are voluntary for participants in HUD-funded activities and occur does conduct such activities, the activities must be offered separately from activities funded by the CDBG program, in time or location.
- Faith-based organizations retain their independence from federal, state, and local governments; may carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct HUD funds to support any inherently religious activities; retains its authority over internal governance; may constitute its board on a religious basis; may display religious symbols and icons; and retains its exemption from the Federal prohibition on employment 28 discrimination on the basis of religion for employees not involved in CDBG-funded activities (24 CFR Part 570.607).
- Faith-based organizations, like all organizations implementing HUD-funded programs, must serve all eligible beneficiaries without regard to religion. The CDBG statute and regulations prohibit any person from being denied the benefits of, or being subjected to discrimination, on the basis of religion under any activity funded in whole or in part with CDBG funds.
- Faith-based organizations, like all organizations, may receive CDBG funds to acquire, construct, or rehabilitate buildings and other real property as long as the funds only pay the costs attributable to CDBG activities.
- The Final Rule applies to state or local funds if a state or local government chooses to commingle its own funds with CDBG funds.

For more information regarding the participation of faith-based organizations in the CDBG Program, see the following resources:

- HUD Center for Faith-Based and Community Initiatives: <http://www.hud.gov/offices/fbci/>
- Guidance to Faith-Based and Community Organizations on Partnering with the Federal Government: <http://www.whitehouse.gov/government/fbci/guidance/> and
- CPD Notice 04-10: Notice of Guidelines for Ensuring Equal Treatment of Faith-based Organizations: <http://www.hud.gov/offices/cpd/lawsregs/notices/2004/04-10.pdf>

### Question 5:

Would self-certification of homelessness be an adequate record that a person qualifies as homeless under the Presumed Benefit National Objective Qualification?

#### **Answer:**

Yes. A document written by the organization and signed by the participant attesting to their housing status is sufficient for Presumed Benefit.

## ESG

### Question 1:

In 24 CFR Part 576.201(a), it states that “[t]he first \$100,000 of a State’s fiscal year grant is not required to be matched...” Does that mean any ESG funding my organization receives from the City is not required to be matched unless it’s more than \$100,000?

#### **Answer:**

No. Section 576.201(a) provides exceptions to the Match requirement for States and territories; however, the City of Fresno qualifies for funding as a metropolitan city, so it is not exempt from Match requirements. The ESG funds the City receives are considered “pass-through” funds, so all of the federal regulations that are required of the City are also required by its subrecipients.

## Public Services

### Question 1:

Can I be reimbursed for a building that I purchased which is used to help low- and moderate-income families?

#### **Answer:**

No. Property purchased prior to entering into a subrecipient agreement with the City of Fresno is not eligible for reimbursement.

### Question 2:

Can I apply for economic development services (business retention and expansion for all our businesses and start-up businesses) under *Personal and Professional Services*?

#### **Answer:**

No. *Personal and Professional Services* are activities that increase the knowledge of the individuals served. Examples include money management classes, home maintenance classes, classes that focus on workplace soft or technical skills, or on-the-job training programs. For *Personal and Professional Services*, the focus is on the growth of low- and moderate-income people.

Under *Micro-Enterprise Assistance*, organizations with five or less employees (including the owner) are assisted through activities that work toward developing, expanding, or stabilizing a business. Activities may include technical assistance, advice, and business services to owners developing microenterprises;

general support to owners developing microenterprises; or training to increase the capacity of microenterprises.

#### Question 3:

I would like to provide a mobile x-ray service to low- and moderate-income communities. Is that eligible under this NOFA?

#### Answer:

A mobile x-ray service is an eligible Public Service activity as it qualifies as *Health Services*. This activity may also be eligible for funding under *Micro-Enterprise Assistance* which funds businesses with five or fewer employees (including the owner) with start-up costs and costs involved in increasing the capacity of the business.

#### Question 4:

Are case management services for people who are experiencing homelessness or in a shelter an eligible activity under Public Services?

#### Answer:

Yes; however, funds specifically for services for people who are experiencing homelessness are also available through the ESG and/or HOPWA grants. Public Services funded under CDBG are capped by federal regulations at 15% of the City's annual CDBG allocation.

## Public Facilities and Infrastructure

#### Question 1:

I would like to install showers in a commercial building for people who are experiencing homelessness to use. Is that eligible under this NOFA?

#### Answer:

No. Currently, public facilities and infrastructure improvements are limited to City-owned, public facilities.

## Affordable Housing Development

#### Question 1:

Am I able to build affordable housing on my non-profit's property to house people?

#### Answer:

This Notice of Funding Availability does not have funding set aside for affordable housing development; however, a separate NOFA is planned to be released in May of this year with funding for that purpose.

### Question 2:

Does Affordable Housing Development include HOME funds as well as CDBG funds?

#### **Answer:**

While CDBG funds may not be used to construct new housing, CDBG can be used in support of Affordable Housing Development. A separate NOFA for Affordable Housing Development is planned to be released in May of this year and could include funding from HOME, CDBG, HOME-ARP (a new funding source developed as part of the American Rescue Plan), and State Permanent Local Housing Allocation.