

# COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Annual Action Plan 2019-20  
CDBG Regulations 24 CFR Part 570

# CDBG ENTITLEMENT GRANT PROGRAM OBJECTIVES

**Primary objective:** viable urban communities by providing decent housing, suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income.

Two **ways** to achieve this objective :

- Provide eligible activities CFR 570.201 to 570.206  
Eligible Activities
- Meet one of the three national objectives CFR 570.208  
Criteria for National Objectives)
  - benefit extremely low-, very low and low-income persons
  - prevent and eliminate slums or blight
  - meet community development needs having a particular urgency

# PROJECTED 2019-2020 CDBG ALLOCATION

Est. CDBG Grant to City	<u>\$2,500,000*</u>
• Planning and Admin (20%)	\$ 500,000
• Public Services (15%)	\$ 375,000
• Public facilities and Housing	<u>\$1,625,000</u>
<u>Total NOFA</u>	<u>\$2,000,000</u>

\*Final Adjustments will be done when City receives final PY 2019 HUD allocations

## Recent uses of City of Oxnard's HUD-CDBG grant

- Public Service providers-City, County & Non-profits
  - Fair Housing Services
  - Health services
  - Homeless services
  - Recreation services
  - Educational services
  - Housing counseling
- City Improvements-Parks, Fire & Safety, Homeless, Streets
- Code Compliance in low income areas

# INELIGIBLE CDBG ACTIVITIES

In general, any activity that is not specifically authorized under the CDBG regulations and statute is **ineligible**.

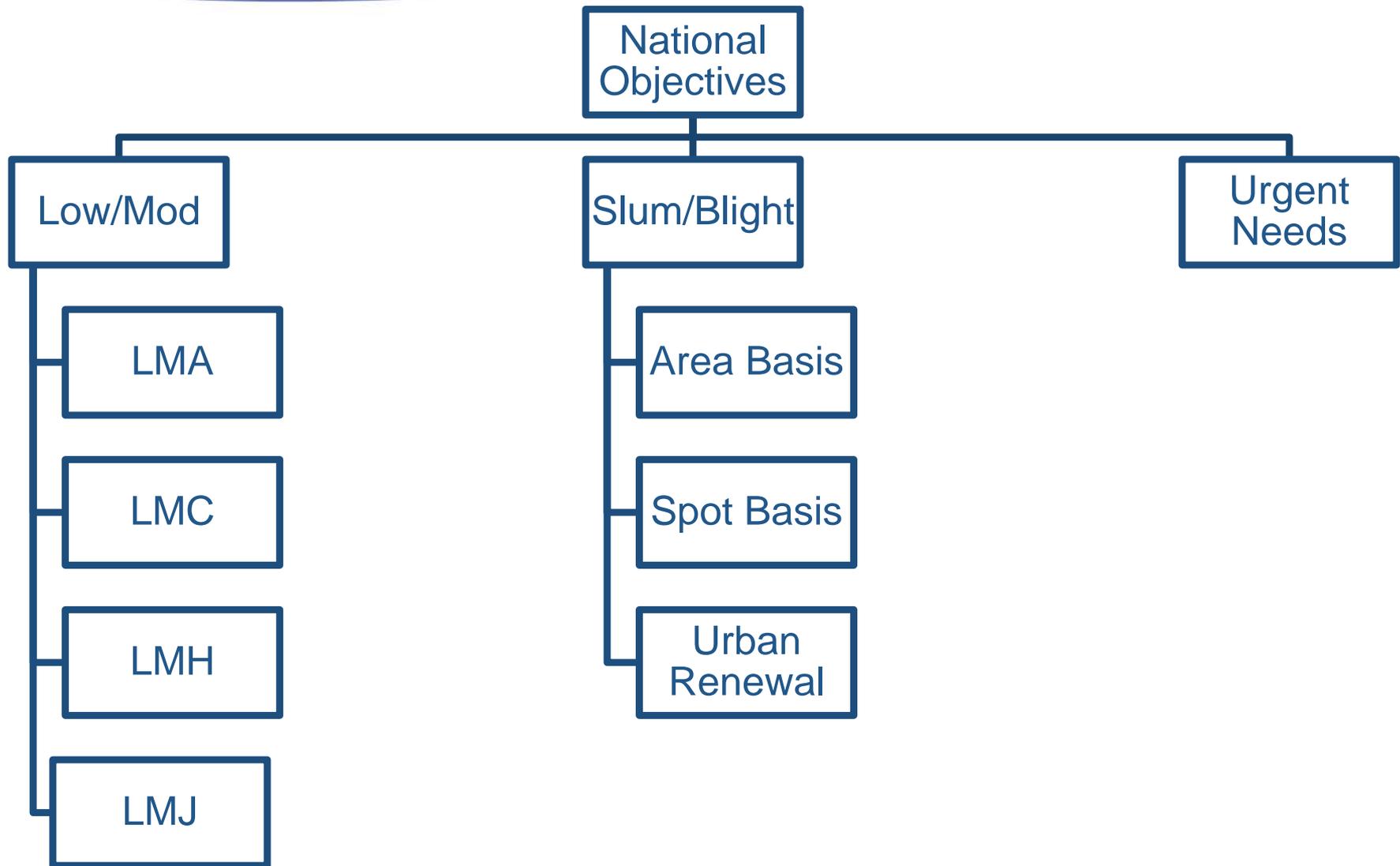
- 24 CFR 570.207 discusses the ineligible activities:
  - Buildings used for the general conduct of government
  - General government expenses
  - Political activities
  - Purchase of equipment
  - Construction equipment
  - Furnishings and personal property
  - Operating and maintenance expenses
  - New housing construction and
  - Income payments

# ELIGIBLE CDBG ACTIVITIES

24 CFR 570.201 to 570.206 lists CDBG eligible activities. CDBG funds can be used for:

- Affordable Housing
- Public Facilities and Improvements
- Public Services
- Other Real Properties
- Economic Development
- Revitalization Areas (NRSA)
- Special activities by Community-Based Development Organizations (CBDOs)

# CDBG - NATIONAL OBJECTIVES



# CDBG NATIONAL OBJECTIVES CONT'D

Benefit principally low and moderate income (LMI) persons.

- LMI Area benefit (LMA):
  - Boundaries of the service area must be primarily residential. The activity should benefit all the residents in the particular area,
  - Commonly used category for community-wide activities
  - Examples: street improvements, neighborhood facilities, water and sewer lines, and façade improvements in a commercial district that serves a LMI neighborhood
- Limited Clientele (LMC):
  - Documentation on household size and income of each person receiving the benefit, in order to show that at least 51% of the clientele are LMI, or
  - Documentation that facility/service designed for or used exclusively by one of the eligible “presumptive” groups, or
  - Documentation of nature and location of the facility/service such that it can be concluded that the activity’s clientele will primarily be LMI persons, or

# CDBG NATIONAL OBJECTIVES CONT'D

Benefit principally low and moderate income (LMI) persons:

- LMI Housing (LMH)
  - Provide or improve permanent residential structures, that upon completion, will be occupied by LMI households.
  - For structures with 2 or more units, LMI households must occupy at least 51% of the units
- LMI Job (LMJ)
  - Written agreement with required provisions
  - Listing of job title of permanent job filled (available to LMI)
  - Evidence of job lost without CDBG
  - Listing of job title of permanent jobs retained, including part-time

# CDBG - NATIONAL OBJECTIVES CONT'D

Aid in the prevention and elimination of slums or blight:

- Area Slum/Blight:
  - Boundaries of the area meeting the definition of slum/blight under the local law – NONE in City of Oxnard;
- Spot Slum/ Blight:
  - NONE in City of Oxnard;
- Urban Renewal area:
  - Activities located within an Urban Renewal project area or Neighborhood Development Program action area that are necessary to complete an Urban Renewal Plan,
  - Documentation of the Urban Renewal Plan including maps and supporting documentation must be maintained at the time the CDBG activity is carried on.

Meet a need with a particular urgency and must satisfy the following qualifying criteria:

- Existing conditions must pose a serious and immediate threat to the health or welfare of the community; and
- Existing conditions must be of recent origins, or must recently become urgent (last 18 months); and
- Grantee is unable to finance the activity on its own; and
- Other sources of funding are not available.

For more information:

See "Guide to National Objectives and Eligible Activities for Entitlement Communities"

# FISCAL YEAR 2018 INCOME LIMIT SUMMARY FOR VENTURA COUNTY

## FISCAL YEAR 2018 INCOME LIMIT SUMMARY FOR VENTURA COUNTY

**Median Income \$96,000**

Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Extremely Low Income (30%)	21,300	24,350	27,400	30,400	32,850	35,300	38,060	42,380
Very Low Income (50%)	35,500	40,600	45,650	50,700	54,800	58,850	62,900	66,950
Low Income (80%)	56,800	64,900	73,000	81,100	87,600	94,100	100,600	107,100

**Source: US Department of Housing and Urban Development**  
Income Limit areas are based on FY 2018 Fair Market Rent (FMR) areas

## Three categories of CDBG:

- Planning & Administration
- Public Services
- Capital Improvements Projects (CIP) or Direct Benefits Projects

# CDBG CATEGORIES CONT'D

## 1. PLANNING and ADMINISTRATION

- Planning: development of Consolidated Plan, Annual Action Plan, budget and evaluation
- Administration: management, accounting, coordination, and monitoring
- Other eligible activities: planning, consulting, citizen participation costs
- Limited to 20% of Current Year Allocation and Current Year Program Income Funds

## 2. PUBLIC SERVICES

- Limited up to 15% of Current Year Allocation and Prior Year Program Income Funds
- Must be a new service or a quantifiable increase in the level of a service
- Examples: child care, health care, job training, recreation programs, educational programs, public safety services, fair housing activities, services for homeless and for senior citizens

## 3. CAPITAL ITEM PROJECTS (CIP) or DIRECT BENEFIT PROJECTS

- Housing Activities: housing services, housing rehabilitation, lead-based paint testing and abatement, and homeownership assistance
- Public Facilities and Improvements: infrastructure, community facilities, special needs and public facilities
- Other Real Property Activities such as Code Enforcement, acquisition, disposition
- Economic Development: Business Technical Assistance, micro-enterprise assistance, commercial rehabilitation

# PERFORMANCE MEASUREMENT

Three components of the measurement system are:

## 1. Objectives:

- Creating Suitable Living Environments
- Providing Decent Housing
- Creating Economic Opportunities

## 2. Outcomes:

- **Availability/Accessibility** - *activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to LMI people, including persons with disabilities.*
- **Affordability** - *activities that provide affordability in a variety of ways to LMI people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.*
- **Sustainability** - *activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to LMI persons or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.*

## 3. Indicators:

- Amount of leverage from other Federal, state, local and private sources per activity,
- Number of persons, households, businesses, units or beds assisted, as appropriate,
- Income levels of persons or households: extremely low- (30% of AMI), very low (50% of AMI) and low-income (80% of AMI). For CDBG LMC activities, the data reported will need to show the total number of persons served and the number of LMI individuals served.
- Race, ethnicity, and disability data: under CDBG, race/ethnicity data is required only when the undertaken activity benefits directly persons or households such as job creation, housing rehabilitation. This indicator data is not required for activities under the CDBG LMA, slum/blight or urgent need national objectives.

**Race:** white, Black/African American, Asian, American Indian/Alaskan Native, Native Hawaiian/Other Pacific Islander, American Indian/Alaskan Native & White, Asian White, Black/African American & white, American Indian/Alaskan Native & Black/African, Other multi-racial, Asian/Pacific Islander

**Ethnicity:** Hispanic

# MONITORING

CDBG funded programs are monitored to ensure timeliness, adherence to primary objectives, funding criteria for each activity, etc.

Types of review/monitoring:

- Desk review: administrative and financial monitoring
- Field Monitoring: project monitoring
- HUD Monitoring: program performance monitoring

Corrective Action, Training, and Technical Assistance is available to cure identified deficiencies

# REPORTING REQUIREMENTS

- Quarterly performance updating in IDIS for CDBG activities
  - Quarterly reports must be submitted to City  
Due Oct. 15, Jan. 15, April 15, June 15
- Annual Performance Report or Grantee Performance Report
  - Annual Report must also be submitted to City  
Due July 30
- Consolidated Annual Performance and Evaluation Report (CAPER)

Annual Reports are used to meet 3 basic purposes:

- Provide HUD with necessary information to assess each grantee's ability to carry out its programs in compliance with applicable regulations and requirements,
- Provide information necessary for HUD to report to Congress, and
- Provide grantees with an opportunity to describe program achievements for their citizens.

# CDBG ENTITLEMENT GRANT COMPLIANCE REQUIREMENTS

- **Environmental review** must be completed by the grantee for all project activities prior to obligating CDBG funds. No HUD money may be used to fund projects that cannot receive National Environmental Protection Act (NEPA) clearance. This report must be completed for every CDBG funded activity to show that there is no impact on the environment or, if there is, that there is no negative impact on the environment. (24 CFR Part 58)
- There are 3 types of determination:  
(Determine level of review, based on project description)
  - Exempt
  - Categorically Excluded
  - Environmental Assessment (EA) Review required

# OTHER FEDERAL REQUIREMENTS

- Labor Standards Requirements: 29 CFR Parts 1, 3, 5, 6 and 7  
HUD-4710 Form - Semi-annual Labor Standards Enforcement Report
- Minority Business: HUD-2516 Form – Annual Minority Business Enterprise contract and Subcontract Activity
- Davis Bacon Act 26 CFR Parts 1, 3, 5, and 6
- OMB Circular- Uniform Guidance or Federal Award 2 CFR Part 200
- Section 3: HUD-60002 – Annual Section 3 Hiring and Contracting Summary Report
- Procurement 24 CFR 570.502, 570.610 and 85.36
- Environmental Review 24 CFR Part 58
- Lead Safe Housing Rule: 24 CFR Part 35, 570.608
- Uniform Relocation Act: 24 CFR Part 42, 49 CFR Part 24 and HUD Handbook 1378
- Fair Housing and Equal Opportunity Laws: Section 109 and 570.602.  
[www.hud.gov/offices/fheo/index.cfm](http://www.hud.gov/offices/fheo/index.cfm)
- Desk procedure
- Program policies and procedures

The Oxnard Citizens Participation Plan , originally adopted by the City Council on October 18, 1994, and modified on July 10, 2018, consists of:

- Public Outreach and Access
- Public Hearings
- Technical Assistance
- Comments and complaints
- Amendments

24 CFR 91.200(c) and 91.215 (I)

# CONSOLIDATED PLAN AND ANNUAL ACTION PLANS

- Prepared by the grantee in accordance with 24 CFR Part 91
- Describes needs, resources, priorities and proposed activities to be undertaken with respect to HUD's CPD formula programs (CDBG, HOME, and HESG).
- Currently in first year of PY 2018-2019 Consolidated Plan 2-Yr Extension of 2013-2017 Con Plan
- Information related to the preparation for the Annual Action Plan (FY 2019-20) at <https://www.oxnard.org/city-department/housing/grants-management/>

# CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

## CAPER

- Annual report to HUD
- Due within 90 days of the end of the fiscal year
- Summarizes the City's performance for the fiscal year
- Includes a description of the resources made available, investment of available resources, geographic distribution and location of investments, families and persons assisted (including the racial and ethnic status of persons assisted), and other actions indicated in the Con Plan and the Action Plan.

# INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS)

IDIS is the online system used to:

1. Track the projects/activities and draw down funds and program income,
2. Record the results of grant funded activities, and
3. Submit electronically the ConPlan, AAP and CAPER to HUD.

HUD uses the data provide by all grantees in IDIS to report on the performance of the grant programs to Congress and other program stakeholders.

# APPLICATION PROCESS

- Application Workshops (January 31st)
- Applications to be submitted online no later than February 28th
- Submissions reviewed by Application Review Panel
- Interviews conducted by Review Panel (March 13-14, 2019)
- Proposed funding allocations expected to be published by April 30, 2019 (tentative date)
- Recommended projects to City Council June 4, 2019 for City Council approval (tentative date)

# APPLICATION PROCESS CONT'D

- Technical assistance is available to applicants
- Upon submission of the applications:
  - Reviewed for completeness and eligibility by Grants Division
  - Review panel convened to evaluate and interview eligible submissions
  - Six (6) member review panel will be made up of delegates from three citizen advisory groups and three members of City staff

# APPLICATION PROCESS CONT'D

## **All applications will be evaluated on specific criteria:**

- Compliance with the CDBG administrative requirements
- Eligibility as a CDBG activity
- Ability to receive NEPA clearance, if applicable
- Overall impact in addressing community needs as identified in the City's Consolidated Plan
- Compliance and consistency with local policies, plans and goals as identified in the City's Consolidated Plan
- Financial feasibility and timeliness
- Extended benefit to persons of low and moderate income
- Clarity of the application narrative
- Completeness of the application

# APPLICATION PROCESS CONT'D

Review Panel will rank the applications based upon pre-established criteria including:

- Experience in providing the services,
- Experience in the CDBG programs,
- Consistency with priorities and objectives established in the ConPlan,
- Experience in the community,
- Administrative and financial capacity to carry out the proposed activity, etc.

Panel's recommendations provided to staff for formal recommendation to the City Council at the 2<sup>nd</sup> Public Hearing

# ONLINE APPLICATION

Online Application must include the following:

- Application (On-Line)
  - Budget
  - Documents- uploaded

(Technical assistance is available to applicants)

**The due date of the online application is**

**February 28, 2019**

# PRE-AGREEMENT INFORMATION

- New CDBG Awardees need to schedule a date for a site visit
- If an Environmental Review (ER) Report is required for the project, ER Report must be completed before any use of federal money
- All CDBG Subrecipients must submit current Certificate of Insurance indicating your general liability, automobile, and worker's compensation coverage prior to execution of contract & maintain during funding period.
- All CDBG Subrecipients must receive an executed Agreement before any billing can be processed

# FY 2019-2020 ANNUAL ACTION PLAN SCHEDULE

## Important Dates:

- **1/15/19** - First Public Hearing – Assessment of unmet needs and issuance of Notice of Funding Availability (NOFA)
- **1/31/19** Application Workshops
- **2/28/19** - Applications Due
- **3/13/19-3/14/19** - Review panel presentations & evaluations
- **5/3/19-6/3/19:** 30-day Public review of FY 2019-20 Annual Action Plan (tentative dates)
- **6/4/19** - Second Public Hearing, Council considers the recommendations for the use of funds and approves the FY 2019-20 Annual Action Plan-AAP (tentative date)

# General Information

## Contact information:

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## QUESTIONS?

Written comments are recommended via email contact:  
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