

COMMUNITY DEVELOPMENT AGENCY
HOUSING AND FEDERAL GRANTS DIVISION

Brian C. Crawford
DIRECTOR

Marin County Civic Center
3501 Civic Center Drive
Suite 308
San Rafael, CA 94903
415 473 6269 T
415 473 7880 F
415 473 2255 TTY

Building and Safety
Environmental Health Services
Planning
Environmental Review
Housing
Sustainability
Code Enforcement
GIS
Federal Grants

www.marincounty.org/cda

DATE: Thursday, February 20, 2020

TO: Countywide Priority Setting Committee

FROM: Molly Kron, Planner
Jillian Zeiger, Planner
Leelee Thomas, Planning Manager

SUBJECT: Application Review Workshop for 2020-22
Application Cycle

MEETING LOCATION: Marin County Civic Center
Board of Supervisors Chambers
3501 Civic Center Drive, Room 330
San Rafael, CA 94903

RECOMMENDATIONS:

1. Review applications identified by Countywide Priority Setting Committee members.

DISCUSSION:

Application Review Workshop

This meeting is a workshop format. No decisions will be made, and no votes will be taken. Staff will provide a brief overview of the applications received and review funding priorities. Committee members will then have an opportunity to present questions and comments about applications for staff to consider, and a chance to hear from applicants about projects seeking funding.

Workshop Purpose:

Provide PSC with an overview of applications received.
Give the PSC an opportunity to review applications and provide comments to staff prior to making recommendations.

Workshops Goals:

Increase ownership and involvement of PSC in funding recommendations
Increase understanding of limited funding and valuable projects

Applicants should note that the Committee will make its recommendations for funding allocations at a separate series of public hearings scheduled for March and April 2020. These meetings will be open to the public, and the agendas includes open time for public comment.

All applications for the 2020-22 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funding are posted on the County's Housing and Federal Grant website at www.marincounty.org/federalgrants.

ACTIONS REQUIRED:

1. No actions are to be taken.

ATTACHMENTS:

Attachment 1: Application Guidelines

Attachment 2: Application Form

2020-22 COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM APPLICATION GUIDELINES

Application logistics:

Application Process and Timing

- Applications will be open on **Monday, January 6, 2020**.
- Application Preparation (Bidders Conference): Wednesday, January 15th, 2020 at the Marin County Civic Center, Board of Supervisors Chambers, 3501 Civic Center Drive, Room 330, San Rafael, CA 94903
 - 1:00 P.M. to 2:00 P.M. - Public Service Projects
 - 2:30 P.M. to 3:30 P.M. - Community Infrastructure/Capital and Housing Projects
- Applications will be due on **Thursday, February 6, 2020, no later than 5:00 PM. POSTMARKS WILL NOT BE ACCEPTED.**
- Federal Grants staff will review applications in February and March.
- Public hearings for each of the three Planning Areas to determine recommendations will be held March-April 2020.
- The Board of Supervisors will hold the final public hearing to confer recommendations on all of the applications in May and transmit the recommendations to HUD.

Application submittal

Submissions may be made via online, email, mail, or in person to one of the addresses below.

- Emailed applications should be sent to this address **ONLY**: federalgrants@marincounty.org
- Mailing address/physical address (if dropping off application):
County of Marin
3501 Civic Center Drive #308
San Rafael, CA 94903
Attn: Federal Grants

Application Content

- *****NEW***** Transitioning from a one (1) year application cycle to a two (2) year application cycle.
- The minimum grant size is \$15,000 per year.
- Organizations may only apply for **one project** in each category of funding. (Ex. An organization may apply for funding under the Public Service category and the Community Infrastructure/Capital category.)
- **Only complete applications submitted on time will be considered for funding.**
- Complete applications include the **application document, project budget, and organization budget.**

Average Grant Size

- Public service grants are typically awarded between \$15,000 and \$30,000.
- Community Infrastructure/Capital improvement grants range from \$15,000 to \$150,000, depending on the project scope.
- Housing grants vary from \$30,000 to \$500,000, depending on the project scope.

Eligible Applicants and Projects

- Applicants must either be a nonprofit, government entity, or have a fiscal sponsor that is a nonprofit or government entity. Individuals are not eligible for funding.
- To ensure affordable housing is dispersed through the county, CDBG and HOME funds cannot be used for housing projects in the Canal Neighborhood of San Rafael or Marin City.
- To learn more about eligible and ineligible activities, review these guides to [eligible CDBG activities](#) and [eligible HOME activities](#).

Notice of Funding Availability: Community Development Block Grant (“CDBG”) and Home Investment Partnership Program (“HOME”) For 2020-22 funding cycle

The Marin County Community Development Agency’s Federal Grants Division is pleased to announce the opening of the application period for the CDBG and HOME programs.

Overview

Federal funding through the Community Development Block Grant (CDBG) program provides communities with resources to address a wide range of unique community development needs. The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop thriving communities by providing funding to assist in the creation of affordable housing, a suitable living environment, and expanded economic opportunities for low and moderate-income persons. The Home Investment Partnerships Program (HOME) funds the creation, preservation, and rehabilitation of affordable housing for low income households. The programs are managed by the Federal Department of Housing and Urban Development (HUD).

National objectives for funding

Each activity funded by CDBG must meet one of the following national objectives for the program. Each application must clearly state which objective the proposed project addresses.

- Benefit low and moderate-income persons.
- Prevention or elimination of slums or blight.
- Address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which no other funding is available.

Priority Setting Committee local thresholds for funding

All applications are assessed using the following as thresholds for funding:

- Support projects that Affirmatively Furthering Fair Housing and have the commitment and capacity to engage in Affirmative Marketing.
- Prioritize projects that serve members of the protected classes as defined by HUD (race, color, religion, national origin, sex, disability, and familial status).
- Prioritize projects that serve low-income persons.

Evaluation Criteria:

All applications are assessed on the following baseline criteria:

- Readiness—can awarded funds be completely expended during the grant year.
- Sustainability—does the organization have capacity to sustain a project or program beyond this federal

funding period?

- Effectiveness and Accountability—does the organization have the capacity and track record to effectively conduct the project and administer federal funds?
- Prioritize greatest impact.

The Countywide Priority Setting Committee has approved funding priorities for CDBG Housing and Public Services dollars that considers projects in the following categories first:

Funding priorities for CDBG Housing funds:

- Family Housing
- Land trust model in eastern Marin¹ that provides home ownership opportunities

Funding priorities for CDBG Public Service funds:

- Basic Health Services – includes services that prevents or treats medical conditions for individuals who are un-insured, under-insured, or people with low-incomes who cannot afford their deductible. Programs and services include but are not limited to preventative health such as immunizations, well-child care from birth, periodic health evaluations for adults, voluntary family planning services, children’s eye and ear examinations conducted to determine the need for vision and hearing correction, and hygiene services. Services may also include medically necessary emergency health care, inpatient and outpatient treatment, diagnostic laboratory and diagnostic and therapeutic radiologic services, and provision of prescription drugs.
- Children, Youth, and Parent Support Services – includes services that address disparities in access to early childhood education and high costs of childcare county wide targeting low-income families. Programs and services include but are not limited to supporting childcare scholarships, student extracurricular activities, parent engagement and training, therapeutic services, teacher’s salaries, transportation, and home visitations.
- Housing Support Services – includes services that assists individuals in accessing stable housing, prevent discrimination in housing choice, and aids renters in maintaining stable housing. Programs and services include but are not limited to fair housing counseling, legal support, housing locators, down payment and rental assistance.

While this priority list does not preclude the funding of other types of projects, it provides staff with further direction when evaluating applications that meet both the national and local baseline thresholds.

Project budgets:

Public Services:

Project budgets for all public service project applications should cover a 1-year time period only. Year two funding allocations will be based on the 1-year budget in relation to outcomes achieved and HUD funding levels.

Community Infrastructure/Capital and Housing:

Project budgets for community infrastructure/capital and housing project applications should be developed spanning a two-year time period, with specific outcomes and line items associated with each

¹ Eastern Marin in this case is defined as all of the areas of Marin, except for West Marin

year. If your project has received planning approvals, has an environmental review on file, and is ready to move forward in a 1-year time frame please indicate so.

Income verifying clients:

All applicants are required to income qualify beneficiaries of services provided with CDBG and HOME funds. Under CDBG regulations HUD presumes the following groups to be low-income and income verification is not required: abused children, battered spouses, the elderly, adult persons with serious disabilities, individuals who are homeless, illiterate persons, and migrant farm workers. Removal of architectural barriers to assist seniors and adults with severe disabilities would fall under this category of Presumed Benefit.

Key changes for 2020-22 fiscal year

- Transitioning from a one (1) year application cycle to a two (2) year application cycle. ²
- The minimum grant size is \$15,000 per year.
- CDBG housing funds will first prioritize projects that provide Family Housing and/or Land trust model in eastern Marin that provides home ownership opportunities
- CDBG public service funds will first prioritize projects that provide Basic Health Services; Children, Youth, and Parent Support Services; and Housing Support Services
- Staff will pursue reprogramming of funds for projects that do not make substantial progress in the initial funding year.

Marin County CDBG Program Overview

All of the eleven cities and towns in Marin County and the County of Marin participate in the CDBG program through a cooperation agreement. The cooperation agreement is renewed every three years. The cooperation agreement allows Marin County to be defined as an “urban county”, having a population of over 200,000, and to receive a direct CDBG funding allocation. Novato and San Rafael are eligible to receive CDBG funding as entitlement cities because their populations exceed 50,000 persons. However, both cities have chosen to continue with the cooperation agreement to assure that Marin meets the population standard for urban counties and continue to receive CDBG funding.

The total CDBG allocation for Marin County has been about \$1.4 Million dollars annually and HOME is about \$700,000. Staff is anticipating the 2020-21 allocation will be similar to 2019-20. Staff will make their funding recommendations based on the 2019-20 allocation.

Marin County Allocation Formula:

The program is administered by staff in the Marin County Community Development Agency. Federal regulations limit the amount of administrative costs to 20% of the available grant funds. In addition, public services are limited to 15% of available grant funds. 40% of funds are allocated to housing and the remaining 25% of funding is available for community infrastructure/capital improvement projects and/or housing.

HOME funds are used exclusively for affordable housing serving low and very low-income.

The County is divided into three (3) planning areas: Novato, San Rafael, and County Other. Each planning area receives a portion of the overall allocation based on an analysis of 2010 Census Data looking at population,

² Staff reserve the right to open the application in 2021-22, if deemed necessary.

the extent of poverty, and the extent of housing overcrowding, with the provision that the extent of poverty be counted twice. For fiscal year 2020-21, the Novato planning area will receive 23.68% of funds, the San Rafael planning area will receive 39.42% of funds, and the County Other planning area will receive 36.9% of funds.

Selection Process:

The Novato City Council and San Rafael City Council hold public hearings on all applications for their respective planning areas and make a funding recommendation to the Board of Supervisors.

The Countywide Priority Setting Committee makes funding recommendations for the County Other planning area and HOME Program funding to the Board of Supervisors.

Requirements for Grant Disbursement:

All recipients will be required to enter into a contract with the County of Marin. This contract will include:

- Scope of service and use of funds.
- Expected outcomes.
- Compliance with certain administrative requirements and accounting records.
- Agreement to affirmatively further fair housing and conduct affirmative marketing.
- Non-discrimination.

All projects will require Federal **environmental review** clearance (NEPA). This is required even for projects that are not subject to CEQA. The Housing and Federal Grants Division is responsible to conduct the environmental review. Awardees should note that project funds may not be spent until the environmental review has been completed.

All community infrastructure/capital projects and some housing projects will be subject to the Federal Davis-Bacon Act regarding prevailing wages for construction workers. Davis Bacon often has standards that differ from California prevailing wage standards.

CDBG will place a lien on all community infrastructure/capital and housing improvement projects. This lien must be repaid if the property is ever sold. The lien amount is not fixed and will be calculated as the amount of CDBG funding to the current value. The lien will increase as the value of the property rises. This lien has no time limit. The lien can be assumed by another nonprofit.

HOME will establish regulatory agreements dictating the affordability of the property and/or HOME units.

Commonly Used Terms

Affirmatively Furthering Fair Housing: Taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. Public service projects can affirmatively further fair housing by providing access to opportunities and by transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

Affirmative Marketing: Through an affirmative marketing plan, a housing and service provider indicates what special efforts they will make to reach out to potential tenants or applicants who might not normally seek housing or services in their project and identify those least likely to apply and market to them.

Community Housing Development Organization (CHDO), is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. To qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience. At least 15% of HOME funds must be allocated to CHDOs. A minimum requirement to be a CHDO is that at least one-third of the board membership are either low-income, residents of low-income neighborhoods, or are elected as representatives of low-income neighborhood organizations.

Community Development Block Grant (CDBG): funds local [community development](#) activities such as [affordable housing](#), [anti-poverty programs](#), and infrastructure development.

Demographics: HUD changed the data collection requirements regarding race/ethnicity categories during program year 2002-2003. These changes reflect Office of Management and Budget 1997 standards establishing that “Hispanic” is not a race category, but an ethnic category that cuts across all races. Those who are White, Black, Asian, Pacific Islander, American Indian, or a multi-race may also be counted as being of Hispanic ethnicity. As such, when asking the individual/household to select a race category, the individual/household must also state whether they are of Hispanic ethnicity. For example, an individual/household of Mexican descent would likely state their race as either American Indian or White, and would also fall under the category of “also Hispanic.”

Federal Grants Division: Staffed by the Marin County Community Development Agency, Federal Grants provides Marin communities with resources to address a wide range of unique community development needs. Federal funds are awarded to non-profits which provide community development activities, anti-poverty programs and affordable housing for low and moderate households throughout Marin County. Oversight is provided by the Priority Setting Committee, made up of appointed community members as well as elected officials from the County, cities and towns.

HOME Investment Partnerships Program (HOME): funds a wide range of activities including building, buying, and/or rehabilitating affordable housing for low-income people. HOME projects must match every dollar of HOME funds used with 25 cents from nonfederal sources, which may include donated materials or labor, the value of donated property, proceeds from bond financing, and other resources.

HUD: US Department of Housing and Urban Development

Protected classes: Under federal anti-discrimination law, a protected class is a group of people with a common characteristic who are legally protected from discrimination on the basis of that characteristic. The following characteristics are protected by the Federal Fair Housing Act: race, color, religion, national origin, sex, disability, and familial status (This last term refers to the presence of at least one child under 18 years old, and also protects prospects and tenants who are pregnant or in the process of adopting a child).

Public Services: CDBG funds can be used for activities that benefit low- and moderate-income people, such as child care, health care, job training, recreation programs, education programs, public safety services, fair housing activities, services for senior citizens, services for homeless persons, drug abuse counseling and treatment, energy conservation counseling and testing, and homebuyer down payment assistance. To be eligible for funding public services must be either a new service; or provide a quantifiable increase in the level

of a service. No more than 15% of CDBG funds can be used for public services.

Rehabilitation: CDBG funds may be used to finance the costs of rehabilitation as shown below.

Residential—Residential property, whether privately or publicly owned. This includes manufactured housing when such housing constitutes part of the community’s housing stock.

Commercial/industrial—Commercial or industrial property, but where such property is owned by a for-profit, rehabilitation under this category is limited to exterior improvements of the building and the correction of code violations.

Other—Nonprofit-owned, nonresidential buildings and improvements that are not considered to be public facilities or improvements under §570.201(c) of the CDBG program regulations.

Construction of Housing: Under this category, CDBG funds may be used in certain specified circumstances to finance the construction of new permanent residential structures. Eligible uses include acquisition of sites, clearance of toxic contaminants of property to be used for the new construction of housing, site improvements to publicly-owned land to enable the property to be used for the new construction of housing, provided the improvements are undertaken while the property is still in public ownership and the cost of disposing of real property, acquired with CDBG funds, which will be used for new construction of housing.

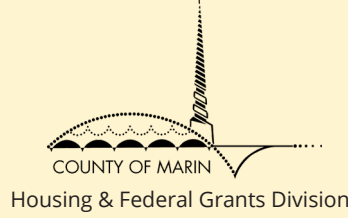
Davis-Bacon: The Davis–Bacon Act of 1931 is a United States federal law that establishes the requirement for paying the local prevailing wages on public works projects for laborers and mechanics.

NEPA: The National Environmental Policy Act (NEPA) is a United States environmental law that promotes the enhancement of the environment and established the President's Council on Environmental Quality (CEQ). Staff must complete environmental review for all CDBG funded projects.

Income Limits - 2019 HUD INCOME LIMITS

Household Size	1	2	3	4	5	6	7	8
Extremely Low (0-30%)	\$33,850	\$38,700	\$43,550	\$48,350	\$52,250	\$56,111	\$60,000	\$63,850
Very Low-Income (30+-50%)	\$56,450	\$64,500	\$72,550	\$80,600	\$87,050	\$93,500	\$99,950	\$106,400
Low-Income (50+-80%)	\$90,450	\$103,350	\$116,250	\$129,150	\$139,500	\$149,850	\$160,150	\$170,500
Moderate-Income (80+-120%)	\$114,900	\$131,350	\$147,750	\$164,150	\$177,300	\$190,450	\$203,550	\$216,700

SOURCE: U.S. Department of Housing and Urban Development



COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM APPLICATION FOR FUNDING

- | | |
|--|---|
| <input type="radio"/> CDBG Public Services
<input type="radio"/> CDBG Housing Construction/Acquisition
<input type="radio"/> CDBG Housing Rehabilitation | <input type="radio"/> CDBG Public Facilities/Improvements
<input type="radio"/> HOME Housing Construction/Acquisition
<input type="radio"/> HOME Housing Rehabilitation |
|--|---|

Organization (Fiscal Sponsor) General Information

Organization/Agency Name		Phone		DUNS#	
Mailing Address	City	ST	Zip	Website	
Executive Director/CEO			Email Address		

Project General Information

Program/Project Name		CDBG/HOME Funding Amount Requested			
Program/Project Site Address	City	ST	Zip		
Application Contact Person		Title of Contact Person			
Email Address			Phone		

1. Planning Areas Served: Indicate what geographic area the requested funding will serve. Please indicate approximate % of services provided in each area. For Housing projects with current residents, please indicate where your project is located.

Novato	San Rafael	County Other	Total

2. What other County of Marin funds is your organization receiving?

Funding Source			
Grant Amount			

3. Organizational Overview: Provide a brief description of your organization including mission, programs, number of clients served, etc.

4. Project Description: Provide a detailed scope of work including services to be provided and/or development activities to be engaged. Describe how this project will benefit the community.

Additional information for Public Service projects

5. Which community priority does your project align with? (check as many boxes as applicable)

- Housing Support Services Children, Youth and Parent Services Basic Health Services

6. How will this project Affirmatively Further Fair Housing¹?

7. Describe how this project will conduct affirmative marketing to members of the Protected Classes^{2?}

8. HUD National Objective to be served

(check at least one):

- Activities benefiting low and moderate-income persons. (LMI)
- Activities benefiting low and moderate area. (LMA)
- Activities which aid in the prevention or elimination of slums or blight.

9. Approximately how many moderate, low, very low, and extremely low-income persons will directly benefit from the program/project? Projects that support low-income persons will be prioritized.

(Use the income level table found in the Application Guidelines document):

Moderate Income	
Low-Income	
Very Low Income	
Extremely Low-Income	

10. Estimate the demographics of the moderate, low, very low, and extremely low-income persons who will directly benefit from the program/project:

Ethnic Category	Total # of Persons	# of Persons Identifying as Hispanic
American Indian or Alaskan Native		
Asian		
Black or African American		
Native Hawaiian or other Pacific Islander		
White		
American Indian and White		
Asian and White		
Black and White		
American Indian and Black		
Multi-Racial		
TOTAL		
Female-Headed Households (out of above total)		
Persons with Disabilities (out of above total)		

1 Affirmatively furthering fair housing is to promote fair housing and to empower and give special assistance to groups that have historically been disadvantaged
 2 Federally protected classes include race, religion, color, national origin, sex, disability or familial status

11. How does your organization verify client income? (Income verification is required except if the client is presumed benefit by HUD. Presumed benefit applies to abused children, battered spouses, the elderly, adult persons with serious disabilities, the homeless, illiterate persons, and migrant farm workers.)

PROJECT MANAGEMENT & FINANCIAL DATA

12. If funded previously, list past project goals and accomplishments/activities using CDBG/HOME funds.

13. If your agency has remaining CDBG/HOME funds previously approved, please describe the timeline for expending the fund balance:

14. Describe your organizations experience with administering federal grant programs. For Housing and Capital (construction and renovation) projects, what experience do you have with complying with Davis-Bacon prevailing wage requirements?

15. Describe who will supervise and manage the project and their past experience with project management.

For Housing and Capital

16. For Housing and Capital (construction and renovation) projects, list any entitlements, planning approvals, or authorizations that are necessary for the project to proceed and list those already received.

17. For Housing and Capital (construction and renovation) projects, what stage are you in? Select the current phase of the proposed.

Predevelopment		Cost Estimate	
Planning		Building	

18. For HOME projects, Please describe how you will meet the 25% funding match requirement?

Task	Date of Completion
Define scope of work/finish design	
Complete planning & environmental review	
Release bid package	
Select contractor	
Finalize contract	
Obtain building permits	
Start construction	
Complete Construction	

Please sign and date your application below:

Required Attachments:

A. Project Budget: Complete the project budget template provided and submit along with application. If you have a project budget that provides the information requested in the template, you may submit that in-lieu of the template. Please note: the project budget should reflect the total cost of the project NOT just the CDBG/HOME request.

- For Public Service projects: Project budgets should cover a 1-year time period only. Year two funding allocations will be based on the 1-year budget in relation to outcomes achieved and HUD funding levels.
- For Capital/Housing projects: Project budgets should be developed spanning a two-year time period, with specific outcomes and line items associated with each year. If your project has received planning approvals, has an environmental review on file, and is ready to move forward in a 1-year time frame please indicate so.

B. Organizational Budget: Upload your organization or fiscal sponsors annual budget.

**Application submittal deadline is Thursday, February 6, 2020 by 5 p.m. PST
POSTMARKS WILL NOT BE ACCEPTED**