

*I'm still not sure if my project is eligible.*

Call us! We encourage all potential applicants to contact the CDBG staff before submitting an application. There are many more eligibility requirements than we could summarize here. Generally, construction expenses for new housing, predevelopment costs for new housing, furnishings, building maintenance, and income payments are ineligible, but there are exceptions. Staff can tell you whether your project, or a part of your project, is eligible.

*How are the funds distributed?*

Marin County will probably receive about \$1.2 million for the 2013-14 program year. After subtracting administrative expenses, the funds are divided so that 15% goes to housing on a countywide basis and the remaining 85% goes to six local planning areas for housing, capital, and public service projects. Except for the San Rafael and Novato Planning Areas, at least 30% of each planning area's funds must be used for housing.

*How are funding decisions made?*

In November, staff holds workshops during which we explain the CDBG regulations and give advice to potential applicants. Staff are also available by phone to answer questions.

Applications are due at the Marin County Community Development Agency on **Thursday, December 13, 2012**. In late December, CDBG staff begins reviewing applications, requesting additional information if needed, scheduling visits with applicants, and making staff recommendations about which projects should be funded. (For housing and capital projects only, applications for San Rafael Planning Area funds will be reviewed by City staff. All applications for Novato Planning Area funds will be reviewed by City staff.)

Typically, requests for CDBG assistance total more than three times the amount available. Because of the competition for limited funds, many applicants cannot be recommended for funding and many are recommended for less than the amounts they requested. Competition is most intense in the public service category.

Each planning area has a Local Area Committee, consisting of a County Supervisor from that area, one representative designated by the City or Town Council from each of the cities and towns within

the area, and, in some cases, additional community representatives. During January, February, and March, each of the Local Area Committees holds a hearing to make recommendations for the use of planning area funds. The San Rafael City Council serves as the Local Area Committee for housing and capital funds in the San Rafael Planning Area. (A separate San Rafael Local Area Committee holds hearings on applications for San Rafael public service funds.) The Novato City Council serves as the Local Area Committee for Novato Planning Area funds.

The Countywide Priority Setting Committee, consisting of one County Supervisor, a representative designated by each of the City and Town Councils, and community representatives, then holds a hearing to consider the recommendations made for the local planning area funds, and to make the initial recommendations for Countywide Housing funds.

Then, in early May, the Board of Supervisors holds a final public hearing on all the recommendations of the Countywide Priority Setting Committee for both planning area and countywide housing funds. In mid-May, the County sends its annual list of projects to the U.S. Department of Housing and Urban Development.

For more information, call the CDBG staff:

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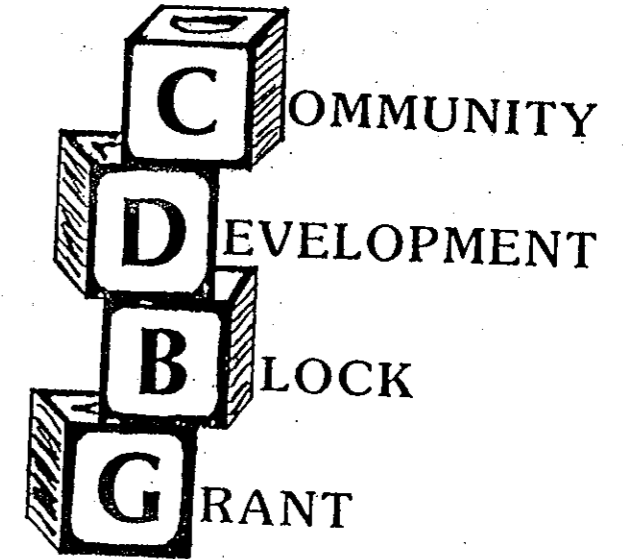
✉ Mailing Address:  
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Just the basics . . .

**What is the Community Development Block Grant Program?**

The Community Development Block Grant (CDBG) Program is a federal program of grants to local governments, administered by the U.S. Department of Housing and Urban Development (HUD). The Housing and Community Development Act of 1974 established CDBG as a replacement for a variety of federal urban renewal, housing, and neighborhood development programs. CDBG was the first of the federal block grant programs.

In Marin County, all eleven cities have signed cooperation agreements to participate with the County government in a single joint CDBG program. This qualifies Marin County as an "urban county," giving us an annual grant allocation established by formula. Marin County administers the CDBG program for all eleven cities, as well as the unincorporated parts of the County. Both government agencies and nonprofit organizations are eligible for funding.

**What types of projects can get CDBG funds?**

CDBG funds can be used for three general types of projects that assist low-income people: housing, capital, and public service projects.

**HOUSING**



Eligible housing activities include housing rehabilitation, acquisition of existing housing, acquisition of sites for housing construction, off-site improvements needed for housing development, and fair housing services. While CDBG funds can support housing development by paying for property acquisition or off-site improvements, CDBG funds cannot ordinarily be used directly for housing construction itself. Housing planning and predevelopment costs are generally not eligible. Types of housing projects we've funded include affordable rental and ownership housing, senior housing, group homes, housing for people with physical and mental disabilities, homeless shelters, owner-built housing, and shared housing.

**CAPITAL**



Eligible capital projects include most types of public facilities and community facilities, such as community centers, senior centers, centers for people with disabilities, day care centers, parks, recreation facilities, public works, buildings that house public services, and removal of architectural barriers which limit accessibility. This category also includes economic development activities.

**PUBLIC SERVICES**



We are permitted to spend up to 15% of our CDBG funds on public services, which are very broadly defined. Some of the public service projects we've funded include day care programs for children and seniors, transportation for special needs groups, counseling programs, social service referrals, senior services, employment assistance, emergency food, educational services, and medical services. However, CDBG funds may not be used to replace cutbacks in local government support for public services. CDBG public service funds should be used for the direct delivery of services, and not for overhead or administration.

**But isn't this a program for low-income people?**

Yes, even if a project fits one of the eligible categories, it must also pass the low-income benefit test. Most projects qualify if at least 51% of the users will be low-income, as defined by HUD. A project meets the standard if at least 51% of the beneficiaries have incomes below the limit, or if it benefits a neighborhood with a high percentage of low-income people.

For housing, if a structure contains two dwelling units, at least one must be occupied by a low-income household. If a structure contains more than two units, at least 51% of the units must be occupied by low-income households. For example, a four-unit building must have three units occupied by low-income households. For this calculation, adjacent rental (not owner-occupied) buildings under common ownership and management may be treated as a

single structure. For new construction of multi-family non-elderly rental housing, the requirement is reduced to 20%. Rents for low-income units may not exceed 30% of the tenant's income.

If a project gives scholarship assistance to low-income people, we count only those who actually receive assistance. Facilities and accessibility improvements for the elderly or for people with disabilities are automatically eligible. As a substitute for low-income benefit, projects may also qualify if they eliminate slums or blight or meet emergency needs, but the regulations make it extremely difficult to qualify under these categories.

**CDBG INCOME LIMITS**

<u>Persons in Household</u>	<u>Income</u>
1	\$62,200
2	71,050
3	79,950
4	88,800
5	95,950
6	103,050

We give priority to projects which serve people with incomes that are substantially below these limits.

**What about affirmative marketing?**

HUD requires that all CDBG projects engage in affirmative marketing. That means analyzing which demographic groups are least likely to apply and taking extra steps to market the program or project to those groups. One aspect of affirmative marketing is implementing strategies to make your program more welcoming and comfortable to the groups which are least likely to apply. The goals of affirmative marketing are to enhance neighborhood diversity and to support the County's commitment to affirmatively furthering fair housing and equal opportunity. We will be asking sponsors of CDBG projects to increase, document, and evaluate the results of their affirmative marketing efforts. Please note that the application form includes questions about your plans for affirmative marketing. Please respond thoughtfully to these questions. Do not simply copy the text of your application from last year; it is likely to be inadequate. If you have questions about affirmative marketing, please call CDBG staff for guidance.