

2022-24 COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME INVESTMENT PARTNERSHIPS PROGRAM APPLICATION GUIDELINES

Application logistics:

Application Process and Timing

- Applications will be open on **Monday, January 3, 2022.**
- Bidders Conference: Tuesday, January 11th, 2022 via Zoom. **Registration is required.**
 - 11:00 am to 12:00 pm - Public Service Projects:
<https://us06web.zoom.us/meeting/register/tZ0qd-yqrTgtHdPnC7alxakdQGoDnJg47-6A>
 - 1:00 to 2:00 pm - Community Infrastructure/Capital and Housing Projects:
<https://us06web.zoom.us/meeting/register/tZUofu6pqDkqE9LDPyuqfuEw8p6jPr8n5wJr>
- Application Office Hours via Zoom - January 4 through January 24. **Registration is required.**
 - Tuesday – January 4, 11, and 18 from 3-4 pm:
<https://us06web.zoom.us/meeting/register/tZcrodGqzrgjGd32GYslxMGQ2gDENckO4fgs>
 - Wednesday – January 5, 12, and 19 from 1-2 pm:
<https://us06web.zoom.us/meeting/register/tZlqcO2qrT8tE9HudS8R6UDKIVJ-Cnlw3klV>
 - Thursday – January 6, 13, and 20 from 12-1 pm:
https://us06web.zoom.us/meeting/register/tZAoceGppzosEtK-C2PRY_crFv-Y3zuqQtis
 - Friday – January 7, 14, and 21 from 10-11 am:
https://us06web.zoom.us/meeting/register/tZ0lf-GhqjMjH9HvKMKr_yOuWV2LyKJdj9h9
 - Monday – January 24 from 3-5pm, **LAST DAY to Submit.**
https://us06web.zoom.us/meeting/register/tZlkcO6qrD0uGNXDSaFGG1Cb77Y--_gBYfEi
- Applications will be due on **Monday, January 24, 2022, no later than 5:00 PM.** Authorized hardcopy submissions must be in hand - **POSTMARKS WILL NOT BE ACCEPTED.**
- Federal Grants staff will review applications between January and March.
- Public hearings to determine recommendations will be held March-April 2022.
- The Board of Supervisors will hold the final public hearing to approve final recommendations in May.
- County of Marin will submit approved recommendations to HUD on May 15.

Application submittal

Submissions should be made through the online application form available on the Federal Grants webpage at www.marincounty.org/federalgrants.

It is recommended that applicants complete the application questions in a document saved to a local computer prior to completing the online form for submission.

Under certain circumstances emailed and mailed hard copy applications will be accepted. Please contact staff at federalgrants@marincounty.org for a reasonable accommodation if you are unable to submit the application using the online form.

Applications submitted in Spanish or Vietnamese will be accepted via email or hardcopy.

Average Annual Grant Size

- Public service grants are typically awarded between \$15,000 and \$65,000.
- Community Infrastructure/Capital improvement grants range from \$30,000 to \$200,000, 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 throughout 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](#).
- Projects **cannot be located in a Floodway** and projects in a **Special Flood Hazard Zone must have flood insurance**. Use this to verify if your project is in a floodway/zone: <https://msc.fema.gov/portal/home>.

Important Points to Keep in Mind for Applications and Project Planning

- Applications are for a 2-year cycle. This application will be used to fund projects in program years 2022-23 and 2023-24¹.
- Minimum grant size is \$15,000 per year.
- Organizations may only apply for **one project** in each category of funding. (Eg. 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.**
- Housing funding will first prioritize projects that provide **Family Housing and/or a Land trust model** in eastern Marin that provides home ownership opportunities, with specific inclusion for African Americans.
- CDBG public service funds will first prioritize projects that provide **Basic Health Services; Children, Youth, and Parent Support Services; Food Security; and Housing Support Services**. Detailed descriptions are available on page 4.
- Housing projects built before 1978 will require lead testing or proof of past testing/treatment in accordance with the [Lead Safe Housing Rule](#). **Project scopes should consider this and include these costs.**
- Staff will pursue reprogramming of funds for projects that do not make substantial progress in the initial funding year.

Notice of Funding Availability: Community Development Block Grant (“CDBG”) and Home Investment Partnership Program (“HOME”) For 2022-24 application cycle

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

¹ Staff reserve the right to open the application in 2023-24, if deemed necessary.

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 Further 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? Are there current or upcoming organizational leadership transitions?
- Prioritize greatest impact.

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

Funding priorities for Housing funds:

- Family Housing
- Land trust model in eastern Marin² that provides home ownership opportunities, with specific inclusion for African Americans.

² Eastern Marin in this case is defined as all of the areas of Marin, except for West Marin

Funding priorities for Public Service funds:

- **Basic Health Services** – includes services that prevent or treat 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 target low-income families and address disparities in access to early childhood education, high costs of childcare county wide, and family self-sufficiency. Programs and services include but are not limited to supporting childcare scholarships, student extracurricular activities, parent engagement and training, case management, therapeutic services, transportation, home visitations, and family legal supports.
- **Food Security** – includes services that provide physical and/or economic access to food to meet dietary needs for a productive and healthy life. Programs and services include but are not limited to free meal sites, food banks, grocery subsidies, home delivered meals, and other programs that provide food to people in need.
- **Housing Support Services** – includes services that assist individuals in accessing stable housing, prevent discrimination in housing choice, and aid renters in maintaining stable housing. Programs and services include but are not limited to fair housing counseling, legal support, housing locators, and 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:

Detailed project budgets including sources and uses of funds to complete the project are required.

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 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.

Marin County Federal Grants Program Overview

All of the eleven cities and towns in Marin County and the County of Marin participate in the Federal Grants program through a cooperation agreement. The cooperation agreement establishes a Countywide Priority Setting Committee to oversee the Federal Grants program and is renewed every three years. The cooperation agreement allows Marin County to be defined as an “urban county” for CDBG and enables it 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 to streamline funding processes for applicants.

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 the most recent Census Data looking at population, the extent of poverty, and the extent of housing overcrowding, with the provision that the extent of poverty be counted twice.

The total CDBG allocation for Marin County has been about \$1.5 Million dollars annually and HOME is about \$800,000 annually. Staff will make funding recommendations based on these previous allocations.

Marin County Allocation Formula:

The Federal Grants program is administered by staff in the Marin County Community Development Agency. Federal regulations for CDBG 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. Federal regulations limit the amount of administrative costs to 10% of the available grant funds.

Selection Process:

The Novato City Council and San Rafael City Council hold public hearings on all CDBG 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.

A lien is placed 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 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.

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, 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.

Countywide Priority Setting Committee (PSC): oversees the distribution of federal funds through the Community Development Block Grant program (CDBG) and HOME Investment Partnerships Program (HOME)

to support a variety of community-based projects, including affordable housing, community facilities, and public services such as childcare scholarships and services for individuals with disabilities. The PSC establishes funding priorities and reviews applications from local nonprofit and public agencies. The PSC includes a member of the Board of Supervisors, 10 city/town council members, as well as seven (7) community members representing six (6) regions spanning Marin and an at-large member representing the County.

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

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.”

Housing and Federal Grants Division: Staffed by the Marin County Community Development Agency, Housing and Federal Grants provides Marin communities with resources to address a wide range of unique community development needs and Housing Policy.

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 childcare, 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.

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 an environmental review for all CDBG and HOME funded projects.

Income Limits - 2021 HUD INCOME LIMITS

Household Size	Extremely Low (0-30%)	Very-Low (30+-50%)	Low (50+-80%)	Moderate (80+-120%)	Median
1	\$38,400	\$63,950	\$102,450	\$125,650	\$104,700
2	\$43,850	\$73,100	\$117,100	\$143,650	\$119,700
3	\$49,350	\$82,250	\$131,750	\$161,600	\$134,650
4	\$54,800	\$91,350	\$146,350	\$179,500	\$149,600
5	\$59,200	\$98,700	\$158,100	\$193,850	\$161,550
6	\$63,600	\$106,000	\$169,800	\$208,250	\$173,550
7	\$68,000	\$113,300	\$181,500	\$222,600	\$185,500
8	\$72,350	\$120,600	\$193,200	\$236,950	\$197,450

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