

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FEDERAL FINANCIAL ASSISTANCE**

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MEMORANDUM FOR: All Potential Applicants

DATE: November 14, 2023

**FROM: Sasha Hauswald
Deputy Director
Division of Federal Financial Assistance**

**SUBJECT: 2017/2018 CDBG-MIT Planning and Public Services and
Resilient Infrastructure Program Notice of Funding
Availability**

The California Department of Housing and Community Development (HCD) is pleased to announce the release of this Notice of Funding Availability (NOFA) in the total amount of approximately \$60 million which includes:

- \$9,987,941 in 2017 Community Development Block Grant Mitigation (CDBG-MIT) funding for the Round Two Planning and Public Services Program (MIT-PPS);
- \$10,010,917 in 2018 CDBG-MIT funding for MIT-PPS; and
- \$40,131,868 in 2018 CDBG-MIT funding for the Resilient Infrastructure Program (MIT-RIP).

The amount of funding available in this NOFA shall be allocated for mitigation activities, as identified in the approved [2017/2018 CDBG-MIT Action Plan](#).

HCD provides opportunities for Applicants to begin planning for their Projects and Applications prior to the release of this NOFA. Those opportunities include a Pre-NOFA Workshop, releasing Policies and Procedures for early review, and posting informational materials. More information on these opportunities can be found on the program webpage at [Disaster Recovery & Mitigation | California Department of Housing and Community Development](#). (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation>).

Under the conditions of this NOFA, it is the intent of HCD to award grant funds to Eligible Applicants for the purpose of mitigation Projects that will increase community resilience, reduce the risk of loss of life, and lessen the impact of future natural disasters in the Most Impacted and Distressed Areas (MID).

Applications for CDBG-MIT funding under this NOFA will be accepted over the counter via HCD's online grant application and management system, Grants Network. An Applicant who does not already have a profile set up in the Grants Network system will need to set up their free profile at <https://portal.ecivis.com/#/login>.

Profile set-up instructions and other technical assistance can be found in the [Grants Network External User Manual](#) or by watching the [Webinar training video](#). Applicants are strongly encouraged to begin the application process early after the NOFA is released. If you have any trouble logging into the Grants Network portal or have questions on how to complete the online Application, please contact HCD at the following program specific email address:

- MIT-PPS: MIT-PPS@hcd.ca.gov
- MIT-RIP: MIT-RIP@hcd.ca.gov

NOFA Deadlines

Mitigation Programs	NOFA Release Date	Over-the-Counter Program Applications - Closing Date
2017 Round 2 Planning and Public Services	November 14, 2023	First come, first served until all funds are expended, and no later than March 29, 2024
2018 Planning and Public Services Program	November 14, 2023	First come, first served until all funds are expended, and no later than March 29, 2024
2018 Resilient Infrastructure Program Allocations	November 14, 2023	March 29, 2024
2018 Resilient Infrastructure Program Set-Aside	November 14, 2023	First come, first served until all funds are expended, and no later than March 29, 2024

Prior to Application submittal, HCD encourages Applicants to:

- ✓ Review all Pre-NOFA, NOFA Workshop materials, and all materials provided by HCD on its [webpage](#) as noted below, and in the [Grant Network System](#);
 - [Action Plans and Federal Register Notices \(FRNs\) | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/action-plans-and-federal-register-notices-frns) (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/action-plans-and-federal-register-notices-frns>)

- b. [Mitigation Planning and Public Services | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services) (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services>)
 - c. [Infrastructure and Resilient Infrastructure Program | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/infrastructure-and-resilient-infrastructure-programs) (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/infrastructure-and-resilient-infrastructure-programs>)
- ✓ Determine which program(s) included in this NOFA pertain to your needs by reviewing the applicable program(s)' Policies and Procedures, found on the HCD website and in Section I.D. of the NOFA;
 - ✓ Prepare Applications, particularly the documentation required to meet threshold criteria, which may take additional time (e.g., approved Authorizing Resolution, detailed budget, agreements with partners, and more; see [Section IV](#) below for details);
 - ✓ Follow the Application instructions as provided in the Application guide; and
 - ✓ Work with HCD to resolve any Application questions prior to submittal.

To receive CDBG-MIT program NOFA FAQs, emails, and other information and updates, please subscribe to the Federal Programs ([Email Signup | California Department of Housing and Community Development](#)). For information on the CDBG-MIT program, **please choose the “Disaster Related” subscription under the Federal Programs section of the form.**

All activities in this NOFA are subject to availability of funds and continuing HUD and legislative authority.



2017/2018 CDBG MIT-PPS and MIT-RIP Notice of Funding Availability

**Gavin Newsom, Governor
State of California
Tad Egawa, Acting Secretary
Business, Consumer Services and Housing Agency
Gustavo Velasquez, Director
California Department of Housing and
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Website: [Disaster Recovery & Mitigation | California Department of Housing and Community Development](#)

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MIT-RIP Email: MIT-RIP@hcd.ca.gov

November 14, 2023

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I. Overview

A. Notice of Funding Availability

The California Department of Housing and Community Development (HCD) announces the availability of approximately \$9,987,941 for the 2017 Round Two Planning and Public Services Program (MIT-PPS); \$10,010,917 for the 2018 MIT-PPS Program; and \$40,131,868 for the 2018 Resilient Infrastructure Program (MIT-RIP). MIT-RIP funds are separated into two types of eligible applicant pools, as detailed in Section III.C: 1) allocations and 2) set aside.

All CDBG-MIT Projects must meet the HUD definition of mitigation. HUD defines mitigation as activities that “increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.”

All Applications will be reviewed for completeness and compliance with state and federal requirements. Only complete and compliant Applications will be eligible for Application review, approval, and potential funding.

B. Tentative Timeline

- Applications submitted before the Application start date or after the respective due date or closing date will not be accepted unless an extension request is submitted. A Subrecipient that cannot meet the Application deadline may request an extension in writing and deposited into the Grants Network Portal or as directed by HCD prior to the deadline. A HCD Program Manager or Section Chief may approve the extension request at their sole and absolute discretion. Please see the applicable program Policies and Procedures for additional information.
- **HCD recommends that Applicants plan to submit their Application(s) well before the applicable final due or closing date to provide opportunity for troubleshooting if needed.**
- Each Application will be digitally time stamped upon submittal.

Program	Application Open Date	Over-the-Counter, First-Come First Served Application Close Date
2017 Round 2 MIT-PPS	November 14, 2023	First come, first served until all funds are expended, and no later than March 29, 2024
2018 MIT-PPS	November 14, 2023	First come, first served until all funds are

Program	Application Open Date	Over-the-Counter, First-Come First Served Application Close Date
		expended, and no later than March 29, 2024
2018 MIT-RIP Allocations	November 14, 2023	First come, first served until all funds are expended, and no later than March 29, 2024
2018 MIT-RIP Set-Aside	November 14, 2023	First come, first served until all funds are expended, and no later than March 29, 2024

C. Authorizing Legislation

- [2017 CDBG-MIT Federal Register/Vol. 84, No. 169 \(PDF\)](#)
- [2018 CDBG-MIT Federal Register /Vol. 86, No. 3 \(PDF\)](#)
- [24 CFR Part 58](#) Environmental Review Procedures
- [2 CFR Part 200](#) Uniform Grant Administration Requirements
- [CDBG-MIT Action Plan for 2017 and 2018 Disasters](#)

If there are changes to federal or state statutes or regulations, other laws governing the CDBG-MIT programs, or funding is modified by Congress, HUD, HCD, or the State Legislature, these changes may become effective immediately and apply to funded activities under this NOFA.

Note: The Housing and Community Development Act of 1974 (HCDA) is codified as Title [42 U.S.C. §5301, et. seq.](#); thus, those citations are interchangeable and cite the same statute language. For example, the citation of HCDA 105(a)(22) and [42 U.S.C. §5305\(a\)\(22\)](#) are references to the same statute language. For the purposes of this NOFA, we will use the 42 U.S.C. §5301 citations for references to the federal statutes.

In administering this NOFA, if there is a conflict between the federal statutes or regulations and state statutes or guidelines, the federal statutes and regulations shall prevail. All activities in this NOFA are subject to availability of funds and continuing HUD and California legislative authority. HCD reserves the right, at its sole discretion and at any time, to rescind, suspend or amend this NOFA and any or all its provisions. HCD will notify interested parties through listserv emails and by posting notification on HCD's website if HCD rescinds, suspends, or amends this NOFA.

This NOFA is not a commitment of funds to any activity or Applicant.

Except as otherwise defined herein, all defined terms have the meaning set forth in [42 U.S.C.§5302\(a\)](#) and the following program Policies and Procedures.

D. Program Policies and Procedures

For additional information on any of the programs included in this NOFA, including terms and definitions, please reference the applicable program Policies and Procedures, Application workshop materials, frequently asked questions, and resources:

- CDBG-MIT Planning and Public Services Program - [Mitigation Planning and Public Services | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services) (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services>)
- 2018 CDBG-MIT Resilient Infrastructure Program - [Infrastructure and Resilient Infrastructure Program | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/infrastructure-and-resilient-infrastructure-programs) (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/infrastructure-and-resilient-infrastructure-programs>)

II. 2017/2018 MIT-PPS Program Requirements

A. Program Requirements Summary

The MIT-PPS Program will fund Planning and Public Services Projects. All Projects funded by MIT-PPS must meet the following criteria, as described in greater detail in the rest of Section II -as well as Sections IV and V below:

1. The Project meets the definition of Mitigation
2. The Project benefits the MID area
3. The Applicant is eligible
4. Requested funds are within the minimum and maximum amounts
5. The Project fits into an eligible activity
6. The Project meets the new/existing service requirements
7. The Project meets a HUD national objective (Public Service Projects only)
8. The Project meets a MIT-PPS Program Threshold

All Projects submitted should be actionable, impactful, and have measurable results. Planning Projects funded by MIT-PPS should be able to be utilized immediately or lead to implementation efforts to aid in reduced risk or increased resilience.

B. Definition of Mitigation

All Projects funded by MIT-PPS must meet HUD's definition of mitigation.

- **Mitigation Definition Requirement:** MIT-PPS Projects must meet the HUD definition of mitigation, "activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters."

C. Eligible Applicants

Projects must benefit the area designated by HUD as the Most Impacted and Distressed areas, or "the MID."

Program	Most Impacted and Distressed Area
2017 MIT-PPS Round 2	<ul style="list-style-type: none">• Sonoma County• Ventura County• Zip Code 95470 – Mendocino County• Zip Code 95901 – Predominantly Yuba County• Zip Code 94558 – Predominantly Napa County• Zip Code 95422 – Predominantly the City of Clearlake in Lake County• Zip Code 93108 – Montecito, a census designated place, located in Santa Barbara County
2018 MIT-PPS	<ul style="list-style-type: none">• Shasta County• Lake County• Butte County• Los Angeles County

The Eligible Applicants for MIT-PPS funds are one of the following, as defined in Section 1.2 of the Policies and Procedures found at: [Mitigation Planning and Public Services | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services). (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services>).

- Jurisdictions
- Nonprofit Organizations
- Tribal Entities

Eligible Applicants (Applicants) must have either:

- A proposed Project located in the MID.
- A proposed Project shown to have a demonstrable benefit to the MID.

D. Allocation and Funding

1. Approximate Available Funding

Program	Planning	Public Services	Available Funding
2017 MIT-PPS Round 2	\$5,711,260	\$4,276,681	\$9,987,941
2018 MIT-PPS	\$4,507,336	\$5,503,580	\$10,010,917

2. Minimum Project Award

Minimum awards per Project will be set at \$125,000. Exceptions to the minimum award amount will be considered for non-federal share match Projects and for entities submitting Applications for related Projects that count towards the minimum award amount. See Policies and Procedures for additional information.

3. Applicant Award Cap

There is no limit to the number of Project Applications an Applicant can submit; however, there is a \$1,500,000 cap on awards made per Applicant. An Applicant may apply and qualify for an exemption from the Entity Award Cap by making a written request. Requests for the exception shall be submitted with the Project Application by the Application deadline. The request must contain all of the following:

- Full Project budget(s), with the amount of funding needed beyond the Entity Award cap identified.
- Description of all relevant facts, evidence, and supporting arguments in support of the request, including the benefits of the proposed Project(s), and other funding included as leverage.
- Statement certifying that there are no other sources available or anticipated to be available within the Project(s) performance period(s).

Once the request is submitted to HCD with the Application, HCD will not accept any further information or materials for consideration related to the request. Based on the requested and submitted information, HCD in the exercise of its sole and absolute discretion will determine if there is sufficient information to satisfy the conditions of the exemption that is not subject to appeal.

E. Eligible Activities

All Projects funded through the MIT-PPS programs must meet the definition of Mitigation (defined in Section II.B. above) and must qualify under one of two CDBG-MIT eligible activities: Planning and Capacity Building or Public Services.

Program	Eligible Activity
MIT-PPS Planning Projects	HCDA Section 105(a)(12) – Planning and Capacity Building: Activities necessary to develop a comprehensive community development plan, and develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively (i) determine its needs, (ii) set long-term goals and short-term objectives, (iii) devise programs and activities to meet these goals and objectives, (iv) evaluate the progress of such programs in accomplishing these goals and objectives, and (v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation.
MIT-PPS Public Service Projects	HCDA Section 105(a)(8) – Public Services: Provision of public services, including but not limited to those concerned with employment, crime prevention, childcare, health, drug abuse, education, energy conservation, welfare, or recreation needs, if such services have not been provided by the unit of general local government.

1. Public Services Requirement – New or Existing Service

To utilize CDBG-MIT funds for public services, the funds must either be used for a new service or be used for a quantifiable increase to an existing service. This provision was put into place by HUD to prevent the substitution of CDBG-MIT funds for support of public services that are recently being supported by local or state government funds. Therefore, the Project must be either:

- a) A new service
 - No local or state funding is in place; or
- b) An existing service that is not currently funded by local or state government funds; or
- c) An existing service that is currently funded by local or state government funds, and Applicant's CDBG-MIT funds will be used to fund an expansion of existing services.
 - To qualify as an expanded service, Applicants must demonstrate a quantifiable increase in the level of existing service.
 - To qualify as an existing service, the program should have been in operation for at least 12 months prior to the submission of the Application.

Some examples of MIT-PPS projects can be found on HCD's Disaster Recovery and Mitigation website at: [Mitigation Planning and Public Services | California Department of](#)

[Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services), inside the slide out section “MIT-PPS Executed Standard Agreements (Sas)” (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/mitigation-planning-and-public-services>).

III. 2018 MIT-RIP Program Requirements

A. Program Requirements Summary

The purpose of MIT-RIP is to assist local jurisdictions with mitigation-related infrastructure needs to support risk reduction from the three primary hazards (wildfire, flooding, and earthquake). All Projects funded by MIT-RIP must meet the following criteria, as described in greater detail in Sections III, IV, and V below:

1. The Project meets the definition of Mitigation
2. The Project benefits the MID area
3. The Applicant is eligible
4. Requested funds are within the minimum and maximum amounts
5. The Project fits into an eligible activity
6. The Project meets a HUD national objective, and
7. The Project meets a MIT-RIP Program Threshold

Additionally, MIT-RIP funds may be used as the non-federal cost share local match for Projects that are a HUD eligible activity,

Some eligible project examples can be found on HCD’s Disaster and Mitigation website at: [Infrastructure and Resilient Infrastructure Program | California Department of Housing and Community Development](https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/infrastructure-and-resilient-infrastructure-programs) (<https://www.hcd.ca.gov/grants-and-funding/disaster-recovery-and-mitigation/infrastructure-and-resilient-infrastructure-programs>), under the “2017 DR-INF/MIT-RIP Executed Master Standard Agreements (MSAs) and Notices to Proceed (NTPs)”.

B. Definition of Mitigation

All Projects funded by MIT-RIP must meet HUD’s definition of mitigation.

- **Mitigation Definition Requirement:** MIT-RIP Projects must meet the HUD definition of mitigation, “activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters.”

C. Eligible Applicants

The Eligible Applicants for 2018 MIT-RIP funds are jurisdictions and Tribal Entities within the MID. Eligible jurisdictions that have seen 1 percent or more of total structures

destroyed by fire and have more than 0.4 percent of total land designated as moderate, high, or very high fire hazard risk will receive a proportional allocation of program funds. Jurisdictions and Tribal Entities within the MID that do not meet the allocation requirements are still eligible to submit Projects towards a 20 percent set aside. Applicants will then be required to submit Project Applications which will be reviewed against eligibility thresholds to ensure they meet program requirements.

HCD encourages all Eligible Applicants to coordinate and collaborate with regional partners. While Eligible Applicants with allocations are not eligible to apply for the 20 percent set aside, those eligible for the set aside are encouraged to also coordinate on Projects with allocation Applicants. Please see section 2.2.5.1 for more information on the Subrecipient Grantee process [[18 MIT RIP Policies and Procedures \(ca.gov\)](#)] .

1. Eligible 2018 MIT-RIP Applicants with allocations

- Butte County
- Lake County
- Los Angeles County
- City of Malibu
- Town of Paradise
- City of Redding
- Shasta County

2. Eligible 2018-MIT-RIP Applicants for 20 percent set aside

The following jurisdictions will be eligible to apply for the 20 percent funding set aside:

- City of Agoura Hills
- City of Anderson
- City of Calabasas
- City of Chico
- City of Gridley
- City of Lakeport
- City of Los Angeles
- City of Oroville
- City of Shasta Lake

- City of Westlake Village
- Tribal Entities located within the MID, as defined in the program's Policies and Procedures, or Tribal Entities that have Projects that benefit the MID.

Eligible Applicants may submit Applications with another local government, special district or similar entity, or Tribal Entity as a Subrecipient Grantee for a Project that meets the eligibility criteria.

D. Allocation and Funding

1. Available Funding

Jurisdiction	Allocation
Butte County	\$6,109,510.13
Lake County	\$2,346,659.90
Los Angeles County	\$3,998,793.56
City of Malibu	\$588,934.12
Town of Paradise	\$10,273,223.81
City of Redding	\$357,150.53
Shasta County	\$8,431,222.35
20% Set Aside	\$8,026,373.60
TOTAL	\$40,131,868.00

2. Award Cap

There is no limit to the number of Project Applications an Eligible Applicant can submit; however, there will be a \$2,500,000 cap on per Project funding. In order to potentially qualify for an exception to the cap, Applicants will need to thoroughly document that there are no other resources available or are not anticipated to be available within the Project performance period. Exceptions will be issued at HCD's sole discretion and under no circumstances are they guaranteed.

Requests for an exception to the entity award cap must be made concurrently with the submission of a MIT-RIP Project Application. Additional details can be found in the program Policies and Procedures.

IV. Application Requirements

An overview of Application requirements across MIT-PPS and MIT-RIP programs is provided below; for more detailed information, see the program Policies and Procedures.

A. National Objective

In accordance with 24 CFR 570.208, Section 104(b)(3) of the HCDA, and as further outlined within the waivers and alternative requirements at Federal Register Notice 84 FR 45838, all CDBG-MIT funded activities must satisfy either the Low- and Moderate-Income (LMI) or the new Urgent Need Mitigation (UNM) national objective.

Planning activities do not require a national objective be established. HUD's Federal Register Notice (84 FR 45838) governing the CDBG-MIT allocation describes planning efforts as addressing the national objectives without the limitation of any circumstances.

All MIT-RIP and MIT Public Services activities must meet one national objective criterion, LMI or UNM, related to its specific mitigation impact and defined direct benefits or service area.

National Objective Category	Subcategory	Required Application Documentation
Benefit to LMI Persons	LMI Area Benefit (LMA)	<p>Per 24 CFR 570.208(a)(1), the public service must be offered to all residents of an area where at least 51 percent of the residents are LMI. The area must be clearly delineated and must be primarily residential.</p> <p>To document qualification under this national objective:</p> <ol style="list-style-type: none"> 1. Provide a map demonstrating the boundaries of the service area. 2. Document that the area is primarily residential (i.e., zoning maps). 3. Document the income characteristics of households in the service area (Census data or income survey). <ol style="list-style-type: none"> a. Census data utilizing HUD's LMI Mapping Tool <ol style="list-style-type: none"> i. Service area map indicating boundaries of activity/program ii. List of census tracts included in the service area iii. Number of LMI persons iv. LMI percentage

		4. Income survey documentation (if applicable) that complies with the CDBG Income Survey Toolkit - HUD Exchange .
	LMI Limited Clientele (LMC)	<p>Per 24 CFR 570.208(a)(2)(i), documentation of one of the following:</p> <ol style="list-style-type: none"> 1. The Project will exclusively benefit a clientele who are generally presumed by HUD to be principally LMI (abused children, elderly persons, battered spouses, homeless persons, severely disabled adults, illiterate adults, persons living with AIDS, and migrant farm workers). <ol style="list-style-type: none"> a. The Project Application's scope of work must document that the activity is designed to be used exclusively by one of the presumed LMI groups listed above. 2. The Project will serve 85 percent LMI, as evidenced by documentation and data concerning beneficiary family size and income. <ol style="list-style-type: none"> a. Provide data and documentation to document that the beneficiaries will be at least 85 percent LMI. <ol style="list-style-type: none"> i. Data and documentation should demonstrate that proposed Project beneficiaries have already undergone an income review. Documentation may include: the administering agency's procedures, intake/application forms, income limits, and other sources of documentation. b. In the absence of available data and documentation, the Applicant must commit to using income verification to document Project beneficiaries are at least 85 percent LMI. 3. The Project will have income-eligibility requirements which limit the service

		exclusively to LMI persons, as evidenced by the administering agency's procedures, intake/application forms, income limits, and other sources of documentation.
	LMI Housing (LMH)	<ul style="list-style-type: none"> • Planning and Public Services <ul style="list-style-type: none"> ○ Not Applicable • MIT-RIP <ul style="list-style-type: none"> ○ Projects may qualify under the LMI housing national objective if the facility being funded exclusively assists in the provision of housing to be occupied by LMI individuals. ○ At application Applicants must describe in detail how the proposed Project would meet this requirement.
	LMI Jobs (LMJ)	<ul style="list-style-type: none"> • Planning and Public Services <ul style="list-style-type: none"> ○ Not Applicable • MIT-RIP <ul style="list-style-type: none"> ○ Projects may qualify under LMI Jobs if the following criteria are met: <ul style="list-style-type: none"> ▪ If the CDBG-MIT cost per job created or retained is less than \$10,000 per Full Time Employee (FTE), the subrecipient must ensure that 51 percent of the jobs created or retained by the businesses for which the facility/improvement is principally undertaken are available to or held by LMI persons. ▪ If the CDBG-MIT cost per job created or retained is \$10,000 or more per FTE, the subrecipient must ensure that 51 percent of the jobs created or retained by all businesses in the service area of the facility/improvement are available to or held by LMI persons. This includes all businesses, which as a result of the public facility/improvement, locate or

		<p>expand in the service area between the date the activity is identified in the action plan and one year after completion of the facility/improvement. In addition, the assisted activity must comply with the public benefit standards.</p> <ul style="list-style-type: none"> ○ At application the subrecipient must provide the amount of CDBG-MIT funds that will be spent per job created/retained. The subrecipient must also ensure that it has appropriate and enforceable legal documents in place running with the land and/or with each business that benefits from the improvement. <p>Please note: Under 570.483(e)(1), if the public facility serves a primarily residential area, it must meet the area benefit criteria even if it is also providing Low-and Moderate-Income jobs.</p>
Urgent Need Mitigation	Urgent Need	<p>Per 84 FR 45838, document the following:</p> <ol style="list-style-type: none"> 1. How will the Project address current and future risks as identified in the Mitigation Needs Assessment? 2. How will the Project result in a measurable and verifiable reduction in the risk of loss of life and property? 3. Explanation of what and how data will be collected to support the two items above.

B. Duplication of Benefits

Federal disaster law prohibits the provision of federal assistance in excess of need. Before making a MIT-PPS or MIT-RIP award and reimbursing activity cost with CDBG-MIT assistance, HCD must verify that the assistance will not cause a duplication of benefits (DOB), meaning that the cost has not and will not be paid by another source intended for the same purpose.

C. Milestones

All CDBG-MIT program-funded activities must be implemented according to the milestones defined in the Standard Agreement and as further defined in the program Policies and Procedures. Applicants must integrate the Standard Agreement milestones into their activity schedule which is submitted as part of each activity Application.

D. Applicant Due Diligence

The Due Diligence process serves as a capacity assessment of future Subrecipient internal policies and procedures. Applicants will be expected to complete document and narrative requests for program due diligence prior to award. While most of the due diligence requirements are included in the Application, different Projects have different requirements and may require due diligence documentation outside of the information requested in the Application. Failure to complete due diligence will result in disqualification for program funding.

V. MIT-PPS and MIT-RIP Program Thresholds

Projects must meet one of the following thresholds. Details on MIT-PPS and MIT-RIP program threshold compliance documentation, including, when applicable, lists of qualifying geographic areas and maps, are provided in the Appendices of the Program Policies and Procedures.

Program	Threshold (Must Meet One)	Definition
MIT-PPS and MIT-RIP	Benefit Low- and Moderate-Income communities	Project must meet the HUD LMI national objective.
	Benefit senior citizens	51 percent or more of Project beneficiaries must be elderly households (62+)
	Benefit persons with disabilities	<ul style="list-style-type: none"> 51 percent or more of Project beneficiaries must meet HUD definition of disabled, OR 51 percent or more of Project beneficiaries must be households with a disabled person.
	Benefit tribal lands or people	<ul style="list-style-type: none"> 51 percent or more of persons benefitting from the Project are tribal people as defined by HCD, OR The Project is located on a tribal land census tract and designed to serve tribal persons.
	Benefit low resource communities	Project must be in a census tract with: <ul style="list-style-type: none"> A Social Vulnerability Index (SVI) of greater than 0.5 or a Local to State median income ratio of less than 0.8; AND

Program	Threshold (Must Meet One)	Definition
		<ul style="list-style-type: none"> A total hazard risk percentile greater than 0.6 OR a single hazard percentile greater than 0.8.
MIT-PPS Only	Benefit households that live in affordable housing	51 percent or more of Project beneficiaries must be residents of an affordable housing community with units designated for affordability.
	Benefit remote communities	The Project must be in or benefit one or more of the frontiers and remote (FAR) area zip codes.
	Benefit non-English speaking populations	At least 51 percent of Project beneficiaries are persons who are limited in their English proficiency (LEP). The Project must be in alignment with the Four-Factor Analysis for Limited English Proficiency if qualifying under this threshold.
MIT-RIP Only	Leverage Cal OES, CAL FIRE, or other funding opportunity	Project budget must include at least 10% of confirmed non-MIT funding.

VI. Application Submission and Review

A. Workshops and Technical Assistance

HCD hosted a Pre-NOFA workshop October 10, 2023, and will host a post NOFA release workshop on November 30, 2023. To register for the NOFA workshop, please go to this registration link: https://hcd-ca.gov.zoom.us/webinar/register/WN_dbgBwm0YRF6QNRr2NS8zxQ. Both Pre-NOFA and post NOFA release workshop slides and recordings will be posted to the webpage after the live presentation. HCD will also post webinars and FAQs.

To receive NOFA FAQs and other Program information and updates, please subscribe to the Federal Programs listserv at [Email Signup | California Department of Housing and Community Development](#). For information on this Program, **please choose the “Disaster Related” subscription**. If you have any questions, send an email to one of the following program specific email addresses:

- MIT-PPS: MIT-PPS@hcd.ca.gov
- MIT-RIP: MIT-RIP@hcd.ca.gov

B. Submission Process

Applicants must follow instructions in this NOFA, the online Application, and the applicable program policies and procedures. HCD strongly encourages Applicants to have all required documents on hand when completing the Application. Failure to follow instructions in the Application and submit all required documentation **will result in disqualification**. Please follow all instructions included in the Application regarding required documentation. Once submitted, Applications must stand on their own. It is the Applicant's responsibility to ensure that the submitted Application is clear, complete, and accurate. HCD staff may request clarifying information but are unable to accept any new documentation that would provide an unfair advantage over other Applications.

The Application and all required attachments must be submitted to HCD through the Grants Network Portal. Applicants must certify that all information is true and complete to the best of their knowledge, under penalty of perjury. Per 83 FR 5848 "Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. §287, 1001 and 31U.S.C. §3729."

Applicants that do not have an account in Grants Network must use an internet browser to navigate to the portal and click on the "Create an account" option to register and set up a profile. See the available training on the CDBG webpage to learn how to open an account. There is no cost associated with a Grants Network account.

C. Application and Program Resources

Application resources may be accessed through the Grants Network System in the "Files" tab and include:

- Map of the Most Impacted Disaster Areas
- MIT-PPS and MIT-RIP Threshold Qualification and Compliance Guidance
- Sample Standard Agreement
- Authorizing Resolution Template (Jurisdictions)
- Authorizing Resolution Template (Tribal Entities)
- Authorizing Resolution Template (Nonprofits-MIT-PPS only)
- Certifications and Statement of Assurances
- TIN Verification Form (for jurisdictions)
- Standard 204 Tax Form (for nonprofits and non-governmental agencies)
- Total Activity Budget Template
- Financial Report Memo

- Application guide
- Policies and Procedures
- Other resources as available

D. Application Review and Award Eligibility

HCD will review Applications over the counter on a first come, first served basis. Applications will be reviewed in the order that they are received. HCD will complete application reviews in accordance with the authorizing legislation and program policy requirements, which includes ensuring that proposed projects and activities requesting CDBG-MIT funds do not supplant already committed public or private resources.

Award recommendations will be made on a rolling basis based on eligibility criteria. Award recommendation amounts will be based on eligible Project costs, HCD's review for duplication of benefits, and availability of program funds.

E. Insufficient Demand

If there are insufficient Applications to fully award the funds allocated to any given region, HCD may, at its discretion, reopen the Application portal again, redistribute remaining available funds based on the order of submittals; reallocate funds to other regions to address over-subscription in other regions, as applicable; and/or reallocate remaining funds to other needs or activities as identified in the [2017/2018 CDBG-MIT Action Plan](#), as amended.

F. Applicant Responsibility

It is the duty and responsibility of each Applicant to review the provisions, requirements, and limitations of all funding sources applied for and obtained for a particular Project, program, or activity in order to ensure that each and every requirement of those funding sources is compatible with all HCD program requirements and restrictions.

Incompatibility of funding sources will result in the denial or cancellation of an award or may result in the placement of conditions or limitations on an award, all as determined by HCD in its sole and absolute discretion.

G. Disclosure of Application

Information provided in the Application will become public record available for review by the public pursuant to the California Public Records Act (GC §6250, et. seq). As such, HCD may disclose any materials provided by the Applicant to any person making a request under this Act. HCD cautions Applicants to use discretion in providing information not specifically requested, including, but not limited to, bank account numbers, personal phone numbers, home addresses, or other personally identifying information. By providing this information to HCD, the Applicant is waiving any claims of

confidentiality, and consents to HCD's disclosure of the Applicant's material upon receipt of a Public Records Act request.

H. Award Notifications

Applications that are eligible, complete, and that satisfy readiness requirements may be recommended for funding. Applicants recommended for award will officially be notified of awards via email. The award notification will include instructions for accepting or declining the award, as well as an executable Standard Agreement. Applicants that are not recommended for awards or that fail threshold will be officially notified via email that their Application was not awarded or failed to pass threshold.

I. Appeals

1. Basis of Appeals

Applicants may appeal HCD's written determination that an application is incomplete, has failed threshold review, or has otherwise been determined to provide an insufficient basis for an award.

At the sole discretion of HCD, the HCD's written determination may include a request for clarifying and/or corrective information. For purposes of this section, "clarifying information" includes information and/or documentation that resolves ambiguities in any application materials that will inform HCD's determinations.

No Applicant shall have the right to appeal a decision of HCD relating to another Applicant's application (e.g., eligibility, award, etc.).

Any request to appeal HCD's decision regarding an application shall be reviewed for compliance with the Policies and Procedures and this NOFA. All decisions rendered shall be made by the Program Manager or his/her designee. The decision shall be final, binding, and conclusive, and shall constitute the final action of HCD.

The appeal process provided herein applies solely to decisions of HCD made pursuant to this NOFA.

2. Appeal Process and Deadlines

Process: To file an appeal, Applicants must submit to HCD, by the deadline set forth below, a written appeal which states all relevant facts, arguments, and evidence upon which the appeal is based. Furthermore, the Applicant must provide a detailed reference to the area or areas of the application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be considered if this information would result in a competitive advantage to an Applicant. Once the written appeal is submitted to HCD, no further information or materials will be accepted or considered thereafter. Appeals are to be submitted to HCD at either [MIT-](#)

PPS@hcd.ca.gov for MIT-PPS Projects, or to MIT-RIP@hcd.ca.gov for MIT-RIP Projects, according to the deadline set forth in HCD's written determination letters.

Filing Deadline: Appeals must be received by HCD no later than five (5) business days from the date of HCD's written determination letter made in response to the application.

3. Decision

Any request to appeal HCD's decision regarding an application shall be reviewed for compliance with the Policies and Procedures and this NOFA. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of HCD.

HCD may, in its sole and absolute discretion, grant additional time beyond the NOFA deadline to Applicants with successful appeals.

J. Standard Agreement

Successful Applicants (Subrecipients) will enter into a Standard Agreement with HCD. A sample of a draft Standard Agreement will be provided in the solicitation files tab of the Grants Network System.

VII. Federal Program Requirements

A. Federal Cross-Cutting Requirements

The CDBG-MIT programs are administered under the rules and regulations promulgated primarily in [24 CFR §570.600, et seq.](#) These primary regulations are known as the federal cross-cutting requirements and form the basis of the programmatic requirements. HCD incorporates all federal cross-cutting requirements into the CDBG-MIT programs, and the regulations in Part 570 are translated into required actions on the part of all subrecipients, where applicable.

This following is a summary of the federal cross-cutting requirements; for detailed information and resources, please see the applicable Policies and Procedures:

- Environmental Standards (based on the National Environmental Policy Act of 1969 [NEPA])
- Labor Standards (Davis-Bacon and related laws)
- Achieving a HUD National Objective
- Public participation requirements
- Fair Housing and Affirmatively Furthering Fair Housing
- Equal Opportunity and Non-Discrimination in federal Grant Programs
- Federal Procurement Guidelines

- National Flood Insurance Program compliance
- Relocation and displacement requirements
- Employment and Contracting Opportunities Section 3 Compliance
- Lead-based paint requirements
- No use of debarred, ineligible, or suspended contractors or sub-recipients
- Uniform Administrative Requirements and Cost Principles
- Conflict of interest prohibitions
- Compliance with the Architectural Barriers Act and the Americans with Disabilities Act
 - Compliance with Eligibility Restrictions for certain resident aliens
 - Federal reporting requirements
 - Grant and subrecipient monitoring requirements

B. Relocation Plan Requirement

Applicants engaging in project-specific activities that may or will cause the temporary or permanent relocation and displacement of persons, property, or businesses must provide a project-specific relocation plan as part of the Application. The plan must meet the standards established in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). Applicants must successfully demonstrate that they have met URA requirements prior to the start of the Project or displacement activity. Applicants shall include relocation costs in project budgets.

Applicants must provide General Information Notices to persons who may be displaced if the activity in the grant Application is funded. This plan must outline how the Subrecipient will enforce and manage the Project's temporary relocation and displacement activities and estimate what relocation benefits will be required so those costs can be included in the Project's development budget.

C. Procurement

Pursuant to [24 CFR §570.489\(g\)](#), all Subrecipients must comply with federal procurement requirements. HCD will review the Subrecipient's procurement documents for services (i.e., administrative sub-contractor, Davis-Bacon consultant, etc.) at time of monitoring or upon request.

Requirements for federal procurement can be found at [2 CFR §200.317-326](#). Applicants are responsible for meeting all federal procurement standards for goods and services funded through federal programs. Failure to meet procurement requirements may result in disqualification, recapture of federal funds, and debarment.

D. False, Fictitious or Fraudulent Claims

Warning: Any person who knowingly makes a false claim or statement to HUD or HCD may be subject to civil or criminal penalties under 18 U.S.C. §287, 1001 and 31 U.S.C. §3729.

E. Detecting, Preventing, and Reporting Fraud

Fraud is a white-collar crime that has a devastating effect on the CDBG-MIT program because the program beneficiaries are victims of this crime when the program is abused. HCD wants to stop any criminal assault on the CDBG-MIT programs it administers, and in doing so all CDBG-MIT funds go to people it was designed to help and improve their living conditions.

F. Combatting Fraud

The HUD Office of Inspector General (OIG) is committed to protecting HUD's programs, operations, and beneficiaries from dishonest individuals and organizations. HUD cannot combat fraud alone; they rely on HCD and NOFA Applicants to combat program fraud.

HUD also relies on Applicants for, and people receiving, HUD benefits, such as: tenants receiving rental assistance, borrowers with HUD insured loans, or residents having their communities restored using HUD grants.

The HUD OIG Hotline number is [1-800-347-3735](tel:1-800-347-3735). This is the primary means to submit allegations of fraud, waste, abuse, mismanagement, or Whistleblower-related matters for the program to the OIG.

HUD OIG accepts reports of fraud, waste, abuse, or mismanagement in the program from HUD employees, anyone administering the CDGB program, anyone working in the program, contractors, and the public.

You can report mismanagement or violations of law, rules, or regulations by HUD employees or program participants. Fraud, waste and abuse in the program and its operation may be reported in one of the following four (4) ways:

1. By email to: hotline@hudoig.gov
2. By phone: Call toll free: 1-800-347-3735
3. By fax: 202-708-4829
4. By mail: U.S. Department of Housing & Urban Development Office of Inspector General Hotline Manager 400 Virginia Avenue, SW, Suite 120 Washington, DC 20024

G. False, Fictitious, or Fraudulent Claims

Warning: Anyone who knowingly makes a false claim or statement to HUD, or HCD may be subject to civil or criminal penalties under 18 U.S.C. § 287, 1001 and 31 U.S.C. § 3729.

H. Federal Whistleblower Protection Act (5 U.S.C. Section 23092(b)(8))

The Federal Whistleblower Protection Act (WPA) protects employees from retaliation for making protected disclosures. The WPA also provides penalties for supervisors who retaliate against Whistleblowers.

1. A disclosure is protected under the WPA if the employee discloses information the employee reasonably believes to be evidence of:
 - a. A violation of any law, rule, or regulation;
 - b. Gross mismanagement;
 - c. A gross waste of funds;
 - d. An abuse of authority; or
 - e. A substantial and specific danger to public health or safety;
2. In general, an employee or applicant may make a protected disclosure to anyone, including non-governmental audiences, unless the information is classified or specifically prohibited by law from release. Options for making a protected disclosure include:
 - a. Informing a supervisor or someone higher up in management;
 - b. Submitting a complaint to the OIG by emailing the OIG at oig@ftc.gov; and
 - c. Filing a complaint with the Office of Special Counsel (OSC) [Home \(osc.gov\)](http://osc.gov)

I. The California Whistleblower Protection Act (Title 2, Division 1, Chapter 6.5, Article 3.5, Gov Code §§ 8548-8548.5)

The California Whistleblower Protection Act authorizes the California State Auditor to receive complaints from state employees and members of the public who wish to report an improper governmental activity. An "improper governmental activity" is any action by a state agency or any action by a state employee directly related to state government that:

1. Violates any state or federal law or regulation;

2. Violates an Executive Order of the Governor, a California Rule of Court, or any policy or procedure required by the State Administrative Manual or State Contracting Manual; or
3. Is economically wasteful or involves gross misconduct, incompetency, or inefficiency. Complaints received by the State Auditor are confidential, and the identity of the complainant may not be revealed without the complainant's permission, aside from to an appropriate law enforcement agency conducting a criminal investigation.

A complaint may be filed by:

1. Call the Whistleblower Hotline at (800) 952-5665 to file a complaint by talking to one of the State Auditor's employees. The hotline generally is staffed Monday through Friday from 8:00 a.m. to 5:00 p.m. If you call when the hotline is not being staffed, or staff is occupied with other calls, you may leave a voicemail message requesting a return call;
2. File a complaint in the form of a letter to the State Auditor addressed as follows:

Investigations
California State Auditor
P.O. Box 1019
Sacramento, CA 95812
3. Fax the letter to the State Auditor at (916) 322-2603;
4. Complete the electronic version of the complaint form (which is available on the State Auditor website at auditor.ca.gov), print it out, and return it by mail or facsimile as stated above.
5. Although the State Auditor does not accept complaints by email, you may file a complaint online at <https://www.auditor.ca.gov/contactus/complaint>.

The State Auditor will not undertake an investigation unless there is a basis for believing that your complaint has sufficient merit to warrant spending resources on an investigation. Your complaint should therefore include:

1. A clear and concise statement of what you are alleging to be improper activity and why you believe it is improper;
2. The name or other information that clearly identifies the person you are alleging has acted improperly and the department where that person works;
3. The names and contact information for any witnesses who can confirm the truth of what you are saying; and
4. Copies of any documents that will support what you are saying. (You should not submit original documents, as they cannot be returned.)

VIII. Funding Availability

The amount of funding available in this NOFA could change, either upwards or downwards, depending on several factors, including, but are not limited to, HCD's administrative determination of need, overall program demand, changes in legislation, new emergency allocations of funding, or newly available funding from a dis-encumbrance of previous awards.