



DRAFT

2011 Notice of Funding Availability (NOFA)



Community Development Block Grant (CDBG)



Home Investment Partnerships Program (HOME)

Emergency Shelter Grant (ESG)



Application Due Date:

Friday, January 21, 2011, 5:00 p.m.



Department of Housing and Community Development

105 E. Anapamu St., Room 105

Santa Barbara, CA 93101

HCDNOFA@co.santa-barbara.ca.us



CDBG Urban County Partnership

Santa Barbara County HOME Consortium



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Introduction

Under this 2011 Comprehensive Notice of Funding Availability (NOFA), the County of Santa Barbara invites applications for funding consideration through federal Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Emergency Shelter Grant (ESG) programs. This federal funding is provided by the United States Department of Housing and Urban Development (HUD). The County of Santa Barbara serves as lead agency under the HOME Consortium and CDBG Urban County, which also include Santa Maria, Lompoc, Carpinteria, Goleta, Buellton, and Solvang.

The County NOFA announces the availability of the following funding:

- a. **HOME funds** through the cities of Buellton, Carpinteria, Goleta, and Solvang, as well as the County, for affordable housing proposals serving these jurisdictions.
- b. **CDBG funds** through the cities of Buellton, Carpinteria, and Solvang, as well as the County, for community development project and program proposals serving these jurisdictions.
- c. **ESG Funds** for proposals serving communities throughout the County of Santa Barbara.

The cities of Santa Maria and Lompoc publish separate NOFAs, and should be contacted directly regarding availability of funds through those jurisdictions. Furthermore, the City of Goleta receives CDBG funds directly from HUD, and should be contacted directly regarding availability of CDBG funds through their jurisdiction.

NOTE REGARDING COUNTY FUNDING TO PROJECTS LOCATED IN PARTNERING JURISDICTIONS: The County may jointly fund eligible projects in member cities; however, the applicant must provide documentation demonstrating the City's support of the project, as well as the City's knowledge of the application being made to the County for funding. This may be in form of a letter from the City's community development or planning department. Questions regarding this requirement may be directed to County HCD staff, who will work with city staff to review the application

The federal funding provided by HUD allows for implementation of projects, programs, and services intended to serve low and moderate income residents across our community. Although the County serves as lead agency for the grant funding, in collaboration with partner jurisdictions the work that non-profits perform is key to addressing the needs of the community, including those of specific groups such as senior citizens, youth, homeless persons, and the disabled. The funding allows for a number of eligible activities to address community needs, such as affordable housing development and rehabilitation, community and public facilities, infrastructure, economic development, public services programs, and homeless shelters and programs.

Each activity funded under the HOME, CDBG and ESG programs must meet a Funding Priority established in the 2010-2015 Consolidated Plan. Funding priorities have been established for each program, and are derived from current congressional goals, HUD priorities and stakeholder input. The Consolidated Plan is available at the offices of each member jurisdiction of the HOME Consortium and CDBG Urban County, as well as online at www.countyofsb.org/housing. The funding priorities are identified and discussed in each program section of this NOFA.

Please take the time to review the information contained in this NOFA prior to completing the formal application for funding to ensure proposals meet program eligibility requirements and a Consolidated Plan Funding Priority. This NOFA will also provide important information on the funding process as well as federal requirements associated with this funding.

Summary of Funds Available

Three primary sources of funding are available:

- Community Development Block Grant (CDBG) funds
- HOME Investment Partnerships (HOME) funds
- Emergency Shelter Grant (ESG) funds

All funding allocations identified in this NOFA are estimated based on the 2010 allocations.

- **Community Development Block Grant (CDBG) Funds Available:**

(Catalog of Federal Domestic Assistance (CFDA) Number: 14.218)

(Code of Federal Regulations (CFR) Citation Number: 24 CFR Part 570)

CDBG funding allows for a variety of eligible activities to assist **low and moderate income households** and clientele. Examples include capital projects (infrastructure, housing rehabilitation, community facilities), public services programs, and economic development activities. Federal statutes and regulations governing CDBG place specific spending caps on certain activities. For example, of the total amount of CDBG funding, no greater than 15% can be allocated to public services programs.

CDBG Capital / Economic Development Allocations (Estimated Figures)

For the 2011 funding cycle, the following CDBG funds are available for capital projects and/or economic development activities.

Jurisdiction	Estimated Funds Available
Unincorporated County	\$858,385
Carpinteria	\$124,639

CDBG Public Services Allocations (Estimated Figures)

For the 2011 funding cycle, the following CDBG funds are available for public services programs.

Jurisdiction	Estimated Funds Available
Unincorporated County	\$191,884
Buellton	\$12,252
Carpinteria	\$28,764
Solvang	\$12,776

City of Lompoc

Under the Santa Barbara CDBG Urban County Cooperation Agreement, the City of Lompoc conducts an independent funding and application review processes; however, the County may also jointly fund eligible projects in the member cities. **Interested applicants for City of Lompoc CDBG funding should contact Dinah Lockhart at 875-8245 with respect to their application availability and process.**

2010-2015 Consolidated Plan CDBG Funding Priorities:

Derived from current congressional goals, HUD priorities and stakeholder input, the following funding priorities have been established by the CDBG Urban County in the 2010-2015 Consolidated Plan.¹ **Project and programs funded under the Urban County CDBG program must meet one of the following priorities.** The priorities in **bold** font are considered HIGH priority needs, as defined by HUD (activities to address needs that *will* be funded during the five-year consolidated plan period). All others are considered MEDIUM priority needs (if funds are available, activities to address needs that *may* be funded during the five-year consolidated plan period).

- **Services**
 - **That assist persons with special needs**
 - **For low and moderate income households**
 - **That prevent discrimination**
 - **Economic development activities that create or retain jobs, including those for low and moderate income persons.**
 - **Assistance for revitalization and enhancement by improving the physical character of neighborhoods, including complete streets, parks, and other public spaces.**
 - **Assistance to low income neighborhoods by funding critical community facilities**
 - **Address design barriers to providing community services to persons with mobility and other impairments as promoted under the Americans with Disabilities Act (ADA)**
 - **Maintain and upgrade existing low income affordable housing stock**
 - **Develop and promote programs that create and sustain long term affordable housing for extremely low to low income persons**
 - **Rehabilitation of public facilities and affordable housing that incorporate energy efficiency and conservation design measures**
-
- **HOME Investment Partnership Program (HOME) Funds Available:**
(Catalog of Federal Domestic Assistance (CFDA) Number: 14.239)
(Code of Federal Regulations (CFR) Citation Number: 24 CFR Part 92)

HOME funding is designed to expand affordable housing opportunities for low and moderate income households. Eligible activities include acquisition, construction and rehabilitation of housing, as well as rental assistance under the Tenant Based Rental Assistance Program (TBRA), and first-time homebuyers' assistance. **Any applicant proposing a TBRA or homeownership program application for consideration under this NOFA is strongly advised to consult with HCD staff prior to submittal, as these are eligible under limited circumstances.**

As a "production-based" program, every dollar of HOME funds expended is expected to result in affordable housing units that primarily benefit persons at or below 60% of the area median income.

¹ The Consolidated Plan is available online at www.countyofsb.org/housing

HOME Allocations (Estimated Figures)

For the 2010-2011 funding cycle, the following HOME funds are available for affordable housing projects.

Jurisdiction	Estimated Funds Available
Unincorporated County ²	\$920,274
Goleta	\$222,017
Carpinteria	\$76,079

Cities of Lompoc and Santa Maria

Under the HOME Consortium, the cities of Santa Maria and Lompoc conduct their own HOME funding allocation and review process. Please contact the following city representatives for specific information on HOME funds available through these jurisdictions:

City of Lompoc: Dinah Lockhart, 875-8245

City of Santa Maria: Celeste Coelho-Hudson, 925-0951, ext. 373

The County may opt to jointly fund projects located within partnering jurisdiction cities. However, when competitive applications for projects located in the unincorporated areas meet threshold requirements, the County may prioritize these applications utilizing County HOME funds as they advance County-specific housing production goals both under the Consolidated Plan and the County General Plan Housing Element.

2010-2015 Consolidated Plan HOME Program Funding Priorities

Derived from current congressional goals, HUD priorities and stakeholder input, the following funding priorities have been established by the HOME Consortium in the 2010-2015 Consolidated Plan.³ **Projects funded under the HOME Consortium program must meet one of the following priorities.** The priorities in **bold** font are considered HIGH priority needs, as defined by HUD (activities to address needs that *will* be funded during the five-year consolidated plan period). All others are considered MEDIUM priority needs (if funds are available, activities to address needs that *may* be funded during the five-year consolidated plan period).

- **New construction / acquisition / rehabilitation of rental housing for lower income households, including:**
 - Large households
 - Small households
 - Special needs households, including homeless, disabled, and elderly persons
- **Permanent supportive housing and Single Room Occupancy (SRO) units to address the needs of the homeless, households at imminent risk of becoming homeless, and/or special needs clients**
- Ownership opportunities for low income first-time homebuyers
- Universal design and accessibility standards to meet disabled populations' specific needs
- Energy efficiency and conservation design measures
- Proximity of projects to employment centers, public transportation, and public services

² Includes allocations for the cities of Buellton and Solvang. Applicants submitting HOME funding proposals for projects in these cities should apply for Unincorporated County HOME funds.

³ The Consolidated Plan is available online at www.countyofsb.org/housing

- **Emergency Shelter Grant Program (ESG) Funds Available:**

(Catalog of Federal Domestic Assistance (CFDA) Number: 14.231)

(Code of Federal Regulations (CFR) Citation Number: 24 CFR Part 576)

The Emergency Shelter Grant program provides funding for shelters and supportive services to the homeless. Funding may be used to provide operations support for emergency shelter and transitional housing providers, homeless prevention activities, essential services, and rehabilitation of existing shelter structures. **Since funding is limited in terms of supporting emergency shelters across County of Santa Barbara, applications from organizations providing existing shelter operations will be given priority consideration during the review process.** In addition, with the exception of Shelter Operations assistance, under ESG some eligible activities have regulatory expenditure caps as follows:

- No greater than 30% of aggregate ESG allocations is available for Essential Services (\$26,629)
- No greater than 10% of aggregate ESG allocation is available for staff salaries (\$8,876);
- No greater than 30% of aggregate ESG allocation is available for Homelessness Prevention activities (\$26,629)

Emergency Shelter Grant (ESG) Allocation (Estimated Figures)

For the 2010-2011 funding cycle, the following ESG funds are available for homeless activities.

Jurisdiction	Estimated Funds Available
Unincorporated County	\$84,327

2010-2015 Consolidated Plan ESG Funding Priorities

Derived from current congressional goals, HUD priorities and stakeholder input, the following funding priorities have been established by Santa Barbara County in the 2010-2015 Consolidated Plan. **Projects funded under the ESG program must meet one of the following priorities.** Both of the following priorities are considered HIGH priority needs, as defined by HUD (activities to address needs that *will* be funded during the five-year consolidated plan period).

- **Operation of principal emergency shelters throughout Santa Barbara County**
- **Essential services and programs that provide needed resources for homeless persons**

Application Submission Process

Following publication of the NOFA, applications for funding under the HOME, CDBG and ESG programs will be accepted over a two-month period, and must be submitted by the deadline noted below. Please see the 2011 NOFA timeline on the final page of this NOFA for a detailed schedule.

All applicants should attend an Applicant Workshop to be held by County HCD staff in North County and South County. Any applicant who cannot attend the scheduled workshops should contact County HCD as soon as possible. Information regarding the dates and locations of the workshops is provided below.

Applicants must submit funding proposals to the County HCD office by 5:00 p.m. on the deadline discussed below. Project applications must be complete by the deadline date to be considered eligible for funding. **Applications which do not include a Board of Directors Affidavit, a current operating budget, complete answers to all applicable questions, and required application attachments, will be deemed ineligible for funding.**

Proposals may not be revised and/or submitted after the deadline date.

- **Application Submission Deadline**

All applications for funding covered by this announcement are due on:

Friday, January 21, 2011, 5:00 p.m.

Electronic submittals are encouraged; however, *one (1) complete original, wet-signature copy of each application for funding must be delivered to HCD's offices by this due date. Late applications will not be accepted; nor will post-marked applications.*

Please submit the original application to the following address:

**County of Santa Barbara
Department Housing and Community Development
105 East Anapamu Street, Suite 105
Santa Barbara, CA 93101**

Electronic submittals and questions, including requests for clarifying information with respect to funding applications, can be directed to the following e-mail address:

HCDNOFA@co.santa-barbara.ca.us

- **Applicant Workshops**

County Housing and Community Development staff will be conducting two applicant workshops to provide information on the programs through which funding is available, as well as information on the application review and selection process, including mandatory attendance at review committee public meetings and required application attachments. Workshop attendees will also be provided an opportunity to ask questions and request technical assistance of HCD staff.

Wednesday, December 8, 2010, 2:00 p.m.

County of Santa Barbara Administration Building
Board of Supervisors' Hearing Room
105 East Anapamu Street, 4th Floor, Santa Barbara

Thursday, December 9, 2010, 2:00 p.m.

North County Board of Supervisors' Hearing Room
Betteravia Government Center
511 East Lakeside Parkway, Santa Maria

****ALL APPLICANTS ARE STRONGLY ENCOURAGED TO ATTEND AN APPLICANT WORKSHOP****

- **Review and Selection Process**

Application Threshold Requirements

All applications will undergo preliminary review by HCD staff to ensure that minimal application submittal threshold and completeness requirements have been met prior to consideration of application review. This includes ensuring that the applicant proposal:

- is an eligible activity under the program through which funds are being requested; and
- meets one of the funding priorities established in the 2010-2015 Consolidated Plan, as discussed above.

Review Committees

Applications that meet threshold requirements will be forwarded to the HOME Consortium/Urban County member city through which funding is requested⁴, or for housing or capital projects, the city in which the project is located, as applicable, and/or the relevant committee that will review and recommend projects for funding. There will be two separate committees:

- **Capital Loan Committee:** Review of HOME and CDBG non-Public Services applications for County, Buellton, Carpinteria, Solvang and Goleta (HOME only).
- **Public Services Committee:** Review of ESG and CDBG Public Services applications for County funds only (cities each have individual Public Services committees).

All applicants will be required to present their project / program before the relevant review committee, which will then determine funding recommendations in accordance with review and selection criteria as defined in this NOFA. The review committees will be convened in early March. Applicants will be notified of the specific dates and times and will be required to attend. Applicants applying for CDBG Public Services funds from Buellton, Carpinteria or Solvang should contact these cities directly for information on their review committees. Furthermore, those applying for HOME and/or CDBG funding through the cities of Santa Maria and/or Lompoc should contact staff of these cities in this respect.

PLEASE NOTE: Only employees of the applicant organization or members of the respective Board of Directors will be invited to project review interviews. Consultants not directly affiliated with the applicant non-profit will not be allowed to present projects before review committees, even with prior written permission of the non-profit's Board of Directors, unless a member of the organization is present.

Review and Selection Criteria

The review committees will evaluate project/program proposals based on the following criteria, which have been developed consistent with HUD Regulations and other federal requirements associated with the receipt and expenditure of federal funding, as well as federal and locally established priorities.⁵

⁴ This NOFA announces availability of funds on behalf of the following cities:

- Buellton (CDBG Public Services)
- Solvang (CDBG Public Services)
- Carpinteria (CDBG Capital and Public Services, and HOME)
- Goleta (HOME Program)

⁵ In addition to these criteria, HUD Notice CPD 98-01 - *Layering Guidance for HOME Participating Jurisdictions* is consulted when funds are proposed to be combined with other governmental subsidies (e.g. tax credits, etc.) in a HOME-funded project.

- 1) **Geographic distribution** – where the project is located and/or what jurisdictions the project or program serves.
 - Project location – within HOME Consortium/Urban County.
 - Projects located in the jurisdiction of a HOME Consortium/Urban County member city must be supported by the city in which the project is located, as evidenced by prior funding commitments by that jurisdiction, or a letter of support from the Planning or Community Development department. City support of the project will be verified by County staff.
- 2) **Project Readiness** – how quickly the project can commence work and expend the funding award in order to avoid potential de-obligation of funds by HUD for non-expenditure.
 - Site control / permitting
 - Environmental review
 - i. National Environmental Policy Act (NEPA)
 - ii. California Environmental Quality Act (CEQA)
 - Percentage of total project budget / funding secured
- 3) **Financial Feasibility** – how realistic the budget is, and the ability of the project or program to operate sufficiently based on the budget. For housing and capital projects, is the projected revenue (Net Operating Income) overtime realistic and sufficient to maintain the project in compliance with program requirements?
 - Cost effectiveness of development (high cost = weak feasibility; low cost = strong feasibility)
 - Stability of pre-committed funding
- 4) **Cost Efficiency** – is the budget efficient, including reasonable costs to develop a capital or housing project or deliver program services. Does the budget effectively accomplish the goals of the project or program without using more funding than necessary to accomplish those goals?
 - Cost reasonableness
 - Number of consultants / subcontractors involved
 - Leveraging of resources
- 5) **Energy Efficiency and Conservation** – minimizing the use of energy and natural resources while maximizing the operational savings derived from energy efficient technologies.
 - Exceed Title 24 standards by 15% or greater
 - Innovative use of energy and resource efficiency technology and renewables
- 6) **Administrative Capacity** – the ability of the project sponsor or service provider to deliver project results in compliance with complex program regulations and other federal requirements.
 - Agency experience with similar projects
 - Agency experience with Federal grant programs
 - Finance staff
 - Past performance under HCD programs

Additional Review and Selection Criteria

Applications for CDBG Public Services and ESG funding will be ranked in the following order:

- 1) Programs and Services that Meet Basic Human Needs – this includes food, shelter, clothing, and personal protection.

- 2) Programs and Services that are Preventative in Nature – services that promote the highest degree of functioning the individual is capable of achieving, such as counseling services.
- 3) Programs and Services that Enhance Quality of Life – services for persons whose basic human needs are already met, such as childcare and resource centers.

Application Review Process

Upon completion of the application review process, preliminary funding recommendations made by the review committees will be incorporated into the **draft Action Plan** for public review. The draft Action Plan will undergo a 30-day public review period during which comments on the Action Plan and projects incorporated therein will be accepted by County HCD. Following is a summary of the various ways in which the Plan is made available to the public:

- Posted on County HCD's website
- Available at 12 public libraries throughout the county
- Available at HOME Consortium/Urban County member city offices
- Available for discussion and comment at two public hearings hosted by County HCD
- Presented before the Board of Supervisors

Public comments received will be incorporated into the **final Action Plan** that will be presented for Board consideration and approval for forwarding to HUD in early May, 2010.

Additional Federal Requirements

In order to be eligible to receive federal funding, agencies must comply with other applicable federal requirements, including:

- Fair Housing Act of 1968
- Anti-lobbying Requirements
- Conflict of Interest Provisions
- Environmental Review (National Environmental Policy Act)
- Equal Opportunity in Housing (Executive Order 11063)
- Employment and Contracting Opportunities (Executive Order 11246)
- Section 3 Requirements
- Section 504 of the Rehabilitation Act of 1973
- Minority and Women Owned Business Opportunities (Executive Order 11625, 12432, 12138)
- Compliance with the following Office of Management and Budget (OMB) Circulars:
 - OMB Circular A-122 (Cost Principles for Non-Profit Organizations)
 - OMB Circular A-133 (Audit Requirements)
- Compliance with the Code of Federal Regulations at 24 CFR Part 84 (Uniform requirements including financial management systems, property standards, procurement standards, reporting and record-keeping.)

Some of these requirements specify the enactment of policies and procedures, while others simply state the compliance guidelines. Agencies receiving federal funding through County HCD will be monitored for compliance with the applicable aforementioned regulations, in addition to program requirements.

Contacts

County staff is available to address any questions or concerns related to the 2011 NOFA, funding applications and review and selection process described herein. All questions should be initially directed to the following primary contact information listed below.

County of Santa Barbara
Department of Housing and Community Development
105 East Anapamu Street, Suite 105
Santa Barbara, CA 93101
Phone: (805) 568-3520
Email: HCDNOFA@co.santa-barbara.ca.us
Website: www.countyofsb.org/housing

Documentation and information relating to the NOFA will be published on County HCD's website as it becomes available.

2011 NOFA Timeline

October 28, 2010 4:00 pm – 6:00 pm	South County Public Workshop to discuss 2011 funding process, local needs and objectives, and estimated funding available
October 29, 2010 11:30 am – 1:30 pm	North County Public Workshop to discuss 2011 funding process, local needs and objectives, and estimated funding available
November 9, 2010	Board of Supervisors public meeting to discuss 2011 funding process
November 15, 2010	County NOFA published
November 15 – January 21	Applications accepted by County HCD
December 8, 2010 2:00 pm – 4:00 pm	North County Applicant Workshop
December 9, 2010 2:00 pm – 4:00 pm	South County Applicant Workshop
January 21, 2011	All applications for funding due at County HCD office by 5:00 p.m.
March 2, 2011 (Time TBD)	Capital Loan Committee meeting on HOME and CDBG non-Public Services project proposals; make funding recommendations for inclusion in Action Plan
March 9, 2011 (Time TBD)	Human Services/Public Services Committee meeting on ESG and CDBG Public Services proposals; make funding recommendations for inclusion in Action Plan
March 25 – April 24	30-day public comment period for 2011 Draft Action Plan
April 6, 2011 4:00 pm – 6:00 pm	North County Public Workshop to discuss 2011 Draft Action Plan
April 7, 2011 4:00 pm – 6:00 pm	South County Public Workshop to discuss 2011 Draft Action Plan
April 19, 2011	Board of Supervisors public meeting to discuss 2011 Action Plan
May 10, 2011	Board of Supervisors consideration and adoption of 2011 Action Plan
May 16, 2011	2011 Action Plan due to HUD
July 1, 2011	Beginning of 2011 Fiscal Year (July 1 – June 30)