



2022-2023 and 2023-2024 Notice of Funding Availability (NOFA) Workshop

December 10, 2021

Introductions

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Sandra Lee | Labor Compliance Specialist with Michael Baker International

Steve Crouse | City Data Services

Agenda

- Program and Planning Overview
- Eligibility and Threshold Requirements
- Federal Requirements
- Reimbursement Process
- Labor Compliance
- Application Process
- Q&A

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Program and Planning Overview

Community Development Block Grant (CDBG)

The City of Seaside is an entitlement jurisdiction and receives a formula grant directly from the U.S. Department of Housing and Urban Development (HUD)

Projects, programs, or services to benefit low- and moderate-income persons

Has a large list of eligible activities which the City prioritizes through citizen participation during the planning process

City uses for infrastructure and facility improvements in low- and moderate-income neighborhoods, and to operate public services programs

Funds are made available for eligible organizations to apply for through this NOFA process

National Objectives

Must meet at least one of the three following national objectives:

1) Primarily benefit low- or moderate-income persons or households

2) Aid in the elimination of slum or blight conditions

3) Meet an urgent community need

Project Goals

All projects must create a public benefit and serve one of the City's Consolidated Plan goals:

1) Access to community services (youth and senior services are priority services)

2) Provide quality infrastructure (includes construction/upgrades to public facilities)

3) Improve accessibility for persons with disabilities

4) Promote beautification

5) Assist microenterprise businesses

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Eligibility and Threshold Requirements

Threshold Requirements

Agencies must meet the threshold criteria below. If an agency cannot provide documentation to demonstrate that it meets all criteria below, the application may not be considered for funding.

- Eligible Entity
- Eligible Activities
- Ineligible Activities

Eligible Entity

- A unit of local government serving program beneficiaries residing in the City of Seaside, or;
- A nonprofit organization that:
 1. Is incorporated in California or incorporated with a State of the United States, the District of Columbia, or a United States Territory, and also properly registered as “Foreign Corporation” with the California Secretary of State; and
 2. Possesses a 501(C)(3) determination of tax-exempt status. The City will accept an advance determination ruling from the IRS

Eligible Activities

- **Public Facilities and Improvements**
 - Construction, rehabilitation, or installation of public improvements or facilities
- **Public Services**
 - Labor, supplies, and materials to operate public services including employment and job development services, childcare, health services, fair housing counseling, senior citizen services, homeless services, youth enrichment services, and more
- **Economic Development**
 - Creation or retainment of permanent jobs for LMI populations, commercial/industrial improvements in LMI areas, or job training and technical assistance

Ineligible Activities

- Building(s) for the General Conduct of Government (unless to remove architectural barriers)
- General Government Expenses
- Political Activities
- Furnishings & Personal Property
- Income Payments (direct cash payments, stipends)
- New Housing Construction (except by Community Based Development Organizations)
- Operating and Maintenance Expenses
- Religious Activities
- Equipment (unless affixed to the facility grounds)

Eligibility Resources

- <https://www.hudexchange.info/onecpd/assets/File/CDBG-National-Objectives-Eligible-Activities-Chapter-3.pdf>
- <https://www.hudexchange.info/onecpd/assets/File/CDBG-State-National-Objectives-Eligible-Activities-Chapter-2.pdf>

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Federal Requirements

Federal Requirements

- Written Policies and Procedures
- Environmental Review / Lead Paint Requirements
- Procurement
- Property/Asset Management
- Audit Requirements
- Recordkeeping

Written Policies and Procedures

- Required under Uniform Administrative Requirements 2 CFR 200
 - Written Policies and Procedures
 - Financial Management Standards
 - Internal Control
 - Procurement
 - Cost Principles
 - Property Standards
 - Recordkeeping
 - Audit Requirements

Written Policies and Procedures

- Program Policies
 - Applicant Intake and Eligibility Determination
 - Equal Opportunity & Nondiscrimination
 - Faith-Based Requirements, if applicable
 - Conflict of Interest
 - Address disciplinary actions
 - Address organization conflict with parent organization, if applicable
 - Must notify City of any conflict

Environmental Review and Lead-Based Paint Requirements

- Environmental Review
 - Responsibility of City
 - Awards can be revoked if a “choice-limiting” action is taken before completion of review
- Lead-Based Paint – Housing
 - Notification
 - Assessment – Testing/Presumptions
- Work
 - Lead Safe Work Practices, Reduction, and Abatement
 - Trained Staff
- Post-work
 - Clearance

Procurement

- Any CDBG funds used to purchase goods or services above \$3,000 must use a competitive procurement process. HUD requires procurement processes receive an adequate number of quotes. Please note the adequate number of quotes is generally accepted at 3 sources.
- <https://files.hudexchange.info/resources/documents/Basically-CDBG-Chapter-14-Procurement.pdf>

Property / Asset Management

- Real Property and Equipment must be insured
- CDBG Use of Real Property (land/buildings) – 5 years
- Equipment
 - tangible personal property
 - useful life of more than one year
 - per-unit acquisition cost > \$5,000
- Proper control includes inventory controls to prevent against loss, theft, and policies to ensure property and equipment is used for its designated purposes.

Recordkeeping

- Safeguards to ensure limited access to files and computer systems to only designated staff
- Retain for four years after closeout except
 - Property purchase/improvement
 - Outstanding monitoring/litigation
 - Access to Records

Audit Requirements

- Threshold for audit
 - > \$750,000 of federal expenses in fiscal year
 - Need methodology to determine if threshold is met
- Audit Requirements
 - Auditor Selection
 - Audit Standards
 - Submission of Audit
 - Audit Follow Up

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Reimbursement Process

Reimbursement Process: Overview

- Reimbursement process entails a transfer of grant funds to the subrecipient, based on actual expenditures by the subrecipient, before the request for funds
- The request is reviewed by grantee staff who will then determine if documentation (receipts, invoices, cancelled checks, etc.) is sufficient or additional documentation is needed
- Reimbursement requests will be submitted in CDS

Financial Management

- Establishing and maintaining a financial system both that serves your agencies needs and meets Federal requirements is essential to avoid overspent budgets or serious audit findings
- Below are required elements of financial systems for managing federal funds:
 - Internal Controls
 - Accounting Records
 - Allowable Costs
 - Source Documentation
 - Budget Controls & Cash management
 - Financial Reporting
- Details of each element can be found here:

<https://www.hudexchange.info/onecpd/assets/File/Playing-by-the-Rules-Handbook-CDBG-Subrecipients-Administrative-Systems-Chapter-2.pdf>

Labor Compliance

Sandra Lee

Project Owner Responsibilities

Pre-Bid Phase

- Provide prevailing wage determinations in bid package and applicable federal and state compliance forms
- Project Advertisement
- Pre-Bid Meeting
- Bid Opening
- Analysis Report of each Bidder's Responsiveness to the project
- Contractor Verifications - Prime and Sub level

Project Owner Responsibilities

Pre-Construction Phase

- Notice of Contract Award
- Agency and Contractor Contract with HUD forms
- Project Registration with the DIR
- Pre-Construction Meeting
- Notice to Proceed

Project Owner Responsibilities

Construction Phase

- Enforcement and monitoring of prevailing wages and apprentice hiring
- Conduct onsite craftworker interviews – 10%

Project Owner Responsibilities

Post-Construction Phase

- Finalize Section 3 Worker and Labor Hours Report and Compliance Report
- Close-out of contractor compliance
- HUD File Review – prepare files and forms

Prevailing Wages

Federal – Davis Bacon Act Prevailing Wage Determinations

- Bid Opening Date

Search

Select Domain
Wage Determinations



By Wage Determination ID

Construction (DBA)

Service Contracts (SCA)

Collective Bargaining Agreement (CBA)

Filter By



Location

State

Select...



County/ Independent City

Select...

DBA Construction Type

Select...




Prevailing Wages

State – Department of Industrial Relations Wage Determinations

- Bid Advertisement Date

Director's General Prevailing Wage Determinations

 Our staff is working remotely and is available to take public inquiries – please see the [Contact Us](#) page for information on how to reach us.

For Prevailing Wage questions, please send your inquiries to Statistics@dir.ca.gov and provide the following information with your inquiry.

- Your name
- Company or agency name
- Email address
- A summary of your question(s)
- Bid Advertisement Date
- Craft(s)/Classification(s)
- County Location of the Project

For Alternative Workweek Database (regarding filing) questions, please send your inquiries to Statistics@dir.ca.gov.

For information on the alternative workweek other than filing requirements, see [Exceptions to the General Overtime Law](#).

For California Consumer Price Index (CPI) questions, please send your inquiries via email to Statistics@dir.ca.gov.

For questions regarding Occupational Injuries and Illnesses, please send your inquiries to BLSSurvey@dir.ca.gov.

- [2021-2 General prevailing wage determinations menu \(journeyman\)](#)
- [2021-2 General prevailing wage apprentice determinations menu](#)
- [Superseded prevailing wage determinations](#)
- [Residential prevailing wage determinations](#)
- [Important notices \(present\)](#)
- [Frequently asked questions - Prevailing Wage](#)
- [Frequently asked questions - Off-Site Hauling](#)
- [Still have questions on prevailing wage?](#)

HUD Section 3 Requirements

Community Development Block Grant (CDBG)

- New Rules and Threshold set in July 2021 – to increase hiring and contracting opportunities to local residents and businesses
- \$200,000 or over is funded to project – Prime Contractor must follow
 - Subcontractor only follows when their subcontract is at or over \$200,000
- Goals
 - Section 3 Worker – 25%
 - Targeted Section 3 Worker – 5% of the 25%
 - Section 3 Business Concern – 10%

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City Data Services

The Application Process

Application Instructions

Submit applications through www.citydataservices.net by no later than 5pm on Monday, January 10, 2022



Questions?