



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

Meeting Agenda City Council

**THE FORT BRAGG CITY COUNCIL MEETS CONCURRENTLY
AS THE FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT
NO. 1 AND THE FORT BRAGG REDEVELOPMENT SUCCESSOR
AGENCY**

Monday, July 24, 2023

6:00 PM

Town Hall, 363 N. Main Street and Via Video
Conference

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

COUNCILMEMBERS PLEASE TAKE NOTICE

Councilmembers are reminded that pursuant to the Council policy regarding use of electronic devices during public meetings adopted on November 28, 2022, all cell phones are to be turned off and there shall be no electronic communications during the meeting. All e-communications such as texts or emails from members of the public received during a meeting are to be forwarded to the City Clerk after the meeting is adjourned.

ZOOM WEBINAR INVITATION

This meeting is being presented in a hybrid format, both in person at Town Hall and via Zoom.

You are invited to a Zoom webinar.

When: Jul 24, 2023 06:00 PM Pacific Time (US and Canada)

Topic: City Council Meeting

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/84147768796>

*Or Telephone: +1 669 444 9171 or +1 720 707 2699 (*6 mute/unmute; *9 raise hand)*

Webinar ID: 841 4776 8796

To speak during public comment portions of the agenda via zoom, please join the meeting and use the raise hand feature when the Mayor or Acting Mayor calls for public comment on the item you wish to address.

AGENDA REVIEW

1. MAYOR'S RECOGNITIONS AND ANNOUNCEMENTS

2. PUBLIC COMMENTS ON: (1) NON-AGENDA, (2) CONSENT CALENDAR & (3) CLOSED SESSION ITEMS

MANNER OF ADDRESSING THE CITY COUNCIL: All remarks and questions shall be addressed to the City Council; no discussion or action will be taken pursuant to the Brown Act. No person shall speak without being recognized by the Mayor or Acting Mayor. Public comments are restricted to three (3) minutes per speaker.

TIME ALLOTMENT FOR PUBLIC COMMENT ON NON-AGENDA ITEMS: Thirty (30) minutes shall be allotted to receiving public comments. If necessary, the Mayor or Acting Mayor may allot an additional 30 minutes to public comments after Conduct of Business to allow those who have not yet spoken to do so. Any citizen, after being recognized by the Mayor or Acting Mayor, may speak on any topic that may be a proper subject for discussion before the City Council for such period of time as the Mayor or Acting Mayor may determine is appropriate under the circumstances of the particular meeting, including number of persons wishing to speak or the complexity of a particular topic. Time limitations shall be set without regard to a speaker's point of view or the content of the speech, as long as the speaker's comments are not disruptive of the meeting.

BROWN ACT REQUIREMENTS: The Brown Act does not allow action or discussion on items not on the agenda (subject to narrow exceptions). This will limit the Council's response to questions and requests made during this comment period.

WRITTEN PUBLIC COMMENTS: Written public comments received after agenda publication are forwarded to the Councilmembers as soon as possible after receipt and are available for inspection at City Hall, 416 N. Franklin Street, Fort Bragg, during normal business hours. All comments will become a permanent part of the agenda packet on the day after the meeting or as soon thereafter as possible, except comments that are in an unrecognized file type or too large to be uploaded to the City's agenda software application. Public comments may be submitted to City Clerk June Lemos, jlemos@fortbragg.com.

3. STAFF COMMENTS

4. MATTERS FROM COUNCILMEMBERS

5. CONSENT CALENDAR

All items under the Consent Calendar will be acted upon in one motion unless a Councilmember requests that an individual item be taken up under Conduct of Business.

- 5A. [23-217](#)** Resolution of the Fort Bragg City Council Establishing the Assistant City Manager/Police Chief Classification and Confirming the Pay Rates/Ranges for All of City of Fort Bragg Established Classifications

Attachments: [RESO Master Salary Schedule-PoliceChief-AsstntCityMgr Add Exhibit A - Compensation Schedule](#)

- 5B. [23-228](#)** Readopt Master Traffic Resolution

Attachments: [RESO 1271-2023A Traffic Committee Att 1 - RESO 1271-2023A Traffic Committee Redline](#)

- 5C. [23-234](#)** Approve Scope of Work for the Request for Proposals for Design Services for the Bainbridge Park Enhancement Project

Attachments: [RFP Scope of Work - Bainbridge Park Design](#)

- 5D. [23-236](#) Approve Revised Scope of Work for a Request for Proposals for Design Services for the Community Development Block Grant Fire Station Rehabilitation Project, Project No. 20-CDBG-12029

Attachments: [Revised Scope of Work for Fire Station Rehabilitation Project](#)

- 5E. [23-244](#) Approve Minutes of June 26, 2023

Attachments: [CCM20230626](#)

6. DISCLOSURE OF EX PARTE COMMUNICATIONS ON AGENDA ITEMS

7. PUBLIC HEARING

When a Public Hearing has been underway for a period of 60 minutes, the Council must vote on whether to continue with the hearing or to continue the hearing to another meeting.

- 7A. [23-232](#) Receive Report and Conduct Public Hearing for Disclosure of Accomplishments and Closeout of Activities Funded by Community Development Block Grant (CDBG) 17-CDBG-12020

Attachments: [07242023 Report CDBG 17-CDBG-12020](#)

[Att 1 - PH Notice 17-CDBG-12020 PFI RCFE](#)

- 7B. [23-231](#) Receive Report, Conduct Public Hearing and Provide Direction to Staff Regarding 2023 Community Development Block Grant (CDBG) Program Applications

Attachments: [07242023 Report CDBG Design Phase](#)

[Att 1 - PH Notice 2023 CDBG Design Phase](#)

[Att 2 - Matrix Code Definitions](#)

[Att 3 - Matrix Codes-National Objectives Table](#)

[Att 4 - CDBG 2019 Final Guidelines Amended 3.23.2022](#)

[Att 5 - CDBG NOFA 2022 Admendment 2](#)

8. CONDUCT OF BUSINESS

- 8A. [23-208](#) Adopt City Council Resolution Approving a Loan Agreement with Fort Bragg South Street LP, a California Limited Partnership for which Danco Communities Serves as a Co-Administrative General Partner, to Assist with the Development of The Plateau and Authorizing City Manager to Execute Same (Amount Not To Exceed: \$2,280,000; Account No.176-0000-1306)

Attachments: [07242023 PLHA Loan Staff Report](#)

[Att 1 - Reso PHLA Loan Agreement](#)

[Att 2 - FB South Street LP Loan Agreement](#)

- 8B. [23-233](#)** Receive Report and Consider Adoption of City Council Resolution Approving Professional Services Agreement with SHN Consulting Engineers & Geologists, Inc. to Provide Construction Management Services for the 2022 Streets Rehabilitation Project, City Project No. PWP-00120, Approving Budget Amendment 2023/24-03, and Authorizing City Manager to Execute Contract (Amount Not To Exceed \$196,900; Account No. 421-4870-0731)

Attachments: [07242023 Construction Management for Street Rehab](#)

[Att 1 - RESO 2022 Streets Rehab CM Award](#)

[Att 3 - RFP Response List](#)

[Att 4 - Budget Amendment 2023-24-03](#)

9. CLOSED SESSION

ADJOURNMENT

The adjournment time for all Council meetings is no later than 10:00 p.m. If the Council is still in session at 10:00 p.m., the Council may continue the meeting upon majority vote.

**NEXT REGULAR CITY COUNCIL MEETING:
6:00 P.M., MONDAY, AUGUST 14, 2023**

STATE OF CALIFORNIA)
)ss.
COUNTY OF MENDOCINO)

I declare, under penalty of perjury, that I am employed by the City of Fort Bragg and that I caused this agenda to be posted in the City Hall notice case on July 20, 2023.

Cristal Munoz
Acting City Clerk

NOTICE TO THE PUBLIC:

DISTRIBUTION OF ADDITIONAL INFORMATION FOLLOWING AGENDA PACKET DISTRIBUTION:

- *Materials related to an item on this Agenda submitted to the Council/District/Agency after distribution of the agenda packet are available for public inspection upon making reasonable arrangements with the City Clerk for viewing same during normal business hours.*
- *Such documents are also available on the City of Fort Bragg's website at <https://city.fortbragg.com> subject to staff's ability to post the documents before the meeting.*

ADA NOTICE AND HEARING IMPAIRED PROVISIONS:

It is the policy of the City of Fort Bragg to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities.

If you need assistance to ensure your full participation, please contact the City Clerk at (707) 961-2823. Notification 48 hours in advance of any need for assistance will enable the City to make reasonable arrangements to ensure accessibility.

This notice is in compliance with the Americans with Disabilities Act (28 CFR, 35.102-35.104 ADA Title II).



City of Fort Bragg

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Phone: (707) 961-2823
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Text File

File Number: 23-217

Agenda Date: 7/24/2023

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Resolution

Agenda Number: 5A.

Resolution of the Fort Bragg City Council Establishing the Assistant City Manager/Police Chief Classification and Confirming the Pay Rates/Ranges for All of City of Fort Bragg Established Classifications

Resolution approving the establishment of the Assistant City Manager/Police Chief classification, adopt the Salary Rate Compensation Plan and confirm all City of Fort Bragg established classifications.

RESOLUTION NO. -2023

RESOLUTION OF THE FORT BRAGG CITY COUNCIL APPROVING THE ESTABLISHMENT OF ASSISTANT CITY MANAGER/POLICE CHIEF EXECUTIVE MANAGEMENT CLASSIFICATION AND CONFIRMING THE PAY RATES/RANGES FOR ALL CITY OF FORT BRAGG ESTABLISHED CLASSIFICATIONS

WHEREAS, the City Manager is out of the office periodically for a variety of purposes and there is a need for a designated person to handle City Manager duties in the absence of the City Manager for business continuity purposes; and

WHEREAS, the City Manager has conducted negotiations with Police Chief, Neil Cervenka, to broaden his classification to also serve as Assistant City Manager; and

WHEREAS, City Manager Peggy Ducey and Police Chief Neil Cervenka have concluded negotiations and have agreed to create the classification of Assistant City Manager/ Police Chief classification, an exempt, at-will, Executive Management classification; and

WHEREAS, the Fort Bragg City Council approves all new classifications and salary schedules, which include classification titles and compensation rates as reflected in Exhibit A; and

WHEREAS, the establishment of this Resolution meets the requirements of California Code of Regulations Section 570.5 as confirmed by CalPERS; and

WHEREAS, the Fort Bragg City Council approved the latest salary schedule through Resolution 4705-2023, adopted July 10, 2023, which established salary schedules for all employees; and

WHEREAS, the California Public Employees' Retirement System code requires the City to have a publicly adopted and posted salary schedule; and

WHEREAS, the full salary schedule is allocated in the proposed FY 2023/2024 budget; and

WHEREAS, the full salary schedule is available on the City's website.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Fort Bragg does hereby adopt the City of Fort Bragg Master Salary Rate Compensation Plan as presented in "Exhibit A" effective July 2, 2023.

The above and foregoing Resolution was introduced by _____, seconded by _____, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 24th day of July 2023, by the following vote:

**AYES:
NOES:**

**ABSENT:
ABSTAIN:
RECUSED:**

BERNIE NORVELL
Mayor

ATTEST:

Cristal Munoz
Acting City Clerk

CITY OF FORT BRAGG SALARY RATE COMPENSATION PLAN

Effective 7.2.2023 Cost of Living Adjustments

Exec. Mgmt, MidMgmt, Conf/Nbarg, and FBEO 2% COLA. FBPA 3% COLA. Designating Grant Funded Classifications.

Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

					Step 1	Step 2	Step 3	Step 4	Step 5
Administrative Analyst (Confidential; Non-Bargaining)									
Hourly				27.24	28.61	30.04	31.54	33.12	
Bi-Weekly				2,179.54	2,288.80	2,403.20	2,523.20	2,649.60	
Monthly				4,722.33	4,959.07	5,206.93	5,466.93	5,740.80	
Annual				56,667.94	59,508.80	62,483.20	65,603.20	68,889.60	
Administrative Analyst - Police (Confidential; Non-Bargaining)									
Hourly				27.24	28.61	30.04	31.54	33.12	
Bi-Weekly				2,136.80	2,288.80	2,403.20	2,523.20	2,649.60	
Monthly				4,722.32	4,959.07	5,206.93	5,466.93	5,740.80	
Annual				56,667.94	59,508.80	62,483.20	65,603.20	68,889.60	
Administrative Assistant - Administration (FBEO)									
Hourly				25.11	26.37	27.69	29.07	30.52	
Bi-Weekly				2,008.96	2,109.60	2,215.20	2,325.60	2,441.60	
Monthly				4,352.82	4,570.80	4,799.60	5,038.80	5,290.13	
Annual				52,233.79	54,849.60	57,595.20	60,465.60	63,481.60	
Administrative Assistant - Community Development (FBEO)									
Hourly				25.11	26.37	27.69	29.07	30.52	
Bi-Weekly				2,008.96	2,109.60	2,215.20	2,325.60	2,441.60	
Monthly				4,352.82	4,570.80	4,799.60	5,038.80	5,290.13	
Annual				52,233.79	54,849.60	57,595.20	60,465.60	63,481.60	
Administrative Assistant - Confidential (Confidential; Non-Bargaining)									
Hourly				25.11	26.37	27.69	29.07	30.52	
Bi-Weekly				2,008.96	2,109.60	2,215.20	2,325.60	2,441.60	
Monthly				4,352.82	4,570.80	4,799.60	5,038.80	5,290.13	
Annual				52,233.79	54,849.60	57,595.20	60,465.60	63,481.60	
Administrative Assistant - Police (FBEO)									
Hourly				25.11	26.37	27.69	29.07	30.52	
Bi-Weekly				2,008.96	2,109.60	2,215.20	2,325.60	2,441.60	
Monthly				4,352.82	4,570.80	4,799.60	5,038.80	5,290.13	
Annual				52,233.79	54,849.60	57,595.20	60,465.60	63,481.60	
Assistant Director - Engineering Division (Mid-Management; Non-Bargaining)									
Hourly				37.17	39.03	40.98	43.03	45.18	
Bi-Weekly				2,973.50	3,122.40	3,278.40	3,442.40	3,614.40	
Monthly				6,442.59	6,765.20	7,103.20	7,458.53	7,831.20	
Annual				77,311.10	81,182.40	85,238.40	89,502.40	93,974.40	
Assistant City Engineer (FBEO)									
Hourly				33.90	35.60	37.38	39.25	41.21	
Bi-Weekly				2,712.38	2,848.00	2,990.40	3,140.00	3,296.80	
Monthly				5,876.83	6,170.67	6,479.20	6,803.33	7,143.07	
Annual				70,521.98	74,048.00	77,750.40	81,640.00	85,716.80	

CITY OF FORT BRAGG SALARY RATE COMPENSATION PLAN

Effective 7.2.2023 Cost of Living Adjustments

Exec. Mgmt, MidMgmt, Conf/Nbarg, and FBEO 2% COLA. FBPA 3% COLA. Designating Grant Funded Classifications.

Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

				Step 1	Step 2	Step 3	Step 4	Step 5
Assistant City Manager (Executive; At-Will)								
Hourly				50.28	52.79	55.43	58.20	61.11
Bi-Weekly				4,022.06	4,223.20	4,434.40	4,656.00	4,888.80
Monthly				8,714.47	9,150.27	9,607.87	10,088.00	10,592.40
Annual				104,573.66	109,803.20	115,294.40	121,056.00	127,108.80
Assistant Finance Director (Mid-Management; Non-Bargaining)								
Hourly				40.21	42.22	44.33	46.55	48.88
Bi-Weekly				3,216.67	3,377.60	3,546.40	3,724.00	3,910.40
Monthly				6,969.46	7,318.13	7,683.87	8,068.67	8,472.53
Annual				83,633.47	87,817.60	92,206.40	96,824.00	101,670.40
Assistant Planner (FBEO)								
Hourly				32.30	33.92	35.62	37.40	39.27
Bi-Weekly				2,584.27	2,713.60	2,849.60	2,992.00	3,141.60
Monthly				5,599.26	5,879.47	6,174.13	6,482.67	6,806.80
Annual				67,191.07	70,553.60	74,089.60	77,792.00	81,681.60
Associate Planner (FBEO)								
Hourly				33.45	35.12	36.88	38.72	40.66
Bi-Weekly				2,675.66	2,809.60	2,950.40	3,097.60	3,252.80
Monthly				5,797.27	6,087.47	6,392.53	6,711.47	7,047.73
Annual				69,567.26	73,049.60	76,710.40	80,537.60	84,572.80
City Clerk (Mid-Management; Non-Bargaining)								
Hourly				40.97	43.02	45.17	47.43	49.80
Bi-Weekly				3,277.87	3,441.60	3,613.60	3,794.40	3,984.00
Monthly				7,102.06	7,456.80	7,829.47	8,221.20	8,632.00
Annual				85,224.67	89,481.60	93,953.60	98,654.40	103,584.00
City Councilmember (Elected)								
Hourly								
Bi-Weekly				235.38				
Monthly				510.00				
Annual				6,120.00	Plus \$100/mo for Special District Meeting			
City Manager (Executive; At Will; Contract)								
Hourly				85.58				
Bi-Weekly				6,846.40				
Monthly				14,833.87				
Annual				178,006.40				
Code Enforcement Officer (FBEO)								
Hourly				32.30	33.92	35.62	37.40	39.27
Bi-Weekly				2,584.27	2,713.60	2,849.60	2,992.00	3,141.60
Monthly				5,599.26	5,879.47	6,174.13	6,482.67	6,806.80
Annual				67,191.07	70,553.60	74,089.60	77,792.00	81,681.60

CITY OF FORT BRAGG SALARY RATE COMPENSATION PLAN

Effective 7.2.2023 Cost of Living Adjustments

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Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

				Step 1	Step 2	Step 3	Step 4	Step 5
Community Services Officer (FBPA)								
Hourly				22.72	23.86	25.05	26.30	27.62
Bi-Weekly				1,817.74	1,908.80	2,004.00	2,104.00	2,209.60
Monthly				3,938.45	4,135.73	4,342.00	4,558.67	4,787.47
Annual				47,261.34	49,628.80	52,104.00	54,704.00	57,449.60
Construction Project Manager (Mid-Management; Non-Bargaining)								
Hourly				43.24	45.40	47.67	50.05	52.55
Bi-Weekly				3,459.02	3,632.00	3,813.60	4,004.00	4,204.00
Monthly				7,494.55	7,869.33	8,262.80	8,675.33	9,108.67
Annual				89,934.62	94,432.00	99,153.60	104,104.00	109,304.00
Construction Project Manager (Temporary, Part-time, At-Will)								
				43.24	45.40	47.67	50.05	52.55
Director - Community Development Department (Executive; At Will)								
Hourly				50.28	52.79	55.43	58.20	61.11
Bi-Weekly				4,022.06	4,223.20	4,434.40	4,656.00	4,888.80
Monthly				8,714.47	9,150.27	9,607.87	10,088.00	10,592.40
Annual				104,573.66	109,803.20	115,294.40	121,056.00	127,108.80
Director - Finance/City Treasurer (Executive; At-Will)								
Hourly				50.28	52.79	55.43	58.20	61.11
Bi-Weekly				4,022.06	4,223.20	4,434.40	4,656.00	4,888.80
Monthly				8,714.47	9,150.27	9,607.87	10,088.00	10,592.40
Annual				104,573.66	109,803.20	115,294.40	121,056.00	127,108.80
Director of Public Works (Executive; At Will)								
Hourly				50.28	52.79	55.43	58.20	61.11
Bi-Weekly				4,022.06	4,223.20	4,434.40	4,656.00	4,888.80
Monthly				8,714.47	9,150.27	9,607.87	10,088.00	10,592.40
Annual				104,573.66	109,803.20	115,294.40	121,056.00	127,108.80
Engineering Technician (FBEO)								
Hourly				30.75	32.29	33.90	35.60	37.38
Bi-Weekly				2,460.24	2,583.20	2,712.00	2,848.00	2,990.40
Monthly				5,330.52	5,596.93	5,876.00	6,170.67	6,479.20
Annual				63,966.24	67,163.20	70,512.00	74,048.00	77,750.40
Environmental Compliance Coordinator (FBEO)								
Hourly				35.57	37.35	39.22	41.18	43.24
Bi-Weekly				2,845.39	2,988.00	3,137.60	3,294.40	3,459.20
Monthly				6,165.02	6,474.00	6,798.13	7,137.87	7,494.93
Annual				73,980.19	77,688.00	81,577.60	85,654.40	89,939.20

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Effective 7.2.2023 Cost of Living Adjustments

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Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

					Step 1	Step 2	Step 3	Step 4	Step 5
Finance Technician I (FBEO)									
Hourly					22.63	23.77	24.96	26.21	27.52
Bi-Weekly					1,810.70	1,901.60	1,996.80	2,096.80	2,201.60
Monthly					3,923.19	4,120.13	4,326.40	4,543.07	4,770.13
Annual					47,078.30	49,441.60	51,916.80	54,516.80	57,241.60
Finance Technician II (FBEO)									
Hourly					24.96	26.21	27.52	28.90	30.35
Bi-Weekly					1,996.75	2,096.80	2,201.60	2,312.00	2,428.00
Monthly					4,326.30	4,543.07	4,770.13	5,009.33	5,260.67
Annual					51,915.55	54,516.80	57,241.60	60,112.00	63,128.00
Finance Technician III (FBEO)									
Hourly					27.51	28.88	30.32	31.84	33.43
Bi-Weekly					2,200.75	2,310.40	2,425.60	2,547.20	2,674.40
Monthly					4,768.30	5,005.87	5,255.47	5,518.93	5,794.53
Annual					57,219.55	60,070.40	63,065.60	66,227.20	69,534.40
Government Accountant I (FBEO)									
Hourly					30.32	31.84	33.43	35.10	36.86
Bi-Weekly					2,425.97	2,547.20	2,674.40	2,808.00	2,948.80
Monthly					5,256.26	5,518.93	5,794.53	6,084.00	6,389.07
Annual					63,075.17	66,227.20	69,534.40	73,008.00	76,668.80
Government Accountant (Part-Time, Regular less than 20 hours weekly)									
Hourly					30.32	31.84	33.43	35.10	36.86
Bi-Weekly					1,212.98	1,273.60	1,337.20	1,404.00	1,474.40
Monthly					2,628.13	2,759.47	2,897.27	3,042.00	3,194.53
Annual					31,537.58	33,113.60	34,767.20	36,504.00	38,334.40
Grants Coordinator (FBEO, Grant Funded)									
Hourly					30.32	31.84	33.43	35.10	36.86
Bi-Weekly					2,425.97	2,547.20	2,674.40	2,808.00	2,948.80
Monthly					5,256.26	5,518.93	5,794.53	6,084.00	6,389.07
Annual					63,075.17	66,227.20	69,534.40	73,008.00	76,668.80
Housing and Economic Development Coordinator (Confidential; Non-Bargaining)									
Hourly					33.92	35.61	37.39	39.26	41.22
Bi-Weekly					2,713.20	2,848.80	2,991.20	3,140.80	3,297.60
Monthly					5,878.60	6,172.40	6,480.93	6,805.07	7,144.80
Annual					70,543.20	74,068.80	77,771.20	81,660.80	85,737.60
Human Resources Analyst (Confidential; Non-Bargaining)									
Hourly					27.24	28.61	30.04	31.54	33.12
Bi-Weekly					2,179.54	2,288.80	2,403.20	2,523.20	2,649.60
Monthly					4,722.33	4,959.07	5,206.93	5,466.93	5,740.80
Annual					56,667.94	59,508.80	62,483.20	65,603.20	68,889.60

CITY OF FORT BRAGG SALARY RATE COMPENSATION PLAN

Effective 7.2.2023 Cost of Living Adjustments

Exec. Mgmt, MidMgmt, Conf/Nbarg, and FBEO 2% COLA. FBPA 3% COLA. Designating Grant Funded Classifications.

Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

				Step 1	Step 2	Step 3	Step 4	Step 5
Human Resources Manager (Mid-Management; Non-Bargaining)								
Hourly				37.17	39.03	40.98	43.03	45.18
Bi-Weekly				2,973.50	3,122.40	3,278.40	3,442.40	3,614.40
Monthly				6,442.59	6,765.20	7,103.20	7,458.53	7,831.20
Annual				77,311.10	81,182.40	85,238.40	89,502.40	93,974.40
Intern (Part-time, Less than 20 hours week; Non-Bargaining)								
Hourly				18.00				
Laborer-Public Works (Part-time, Less than 20 hours week; Non-Bargaining)								
Hourly				21.00				
Laborer-Water/Wastewater (Part-time, Less than 20 hours week; Non-Bargaining)								
Hourly				21.00				
Maintenance Worker I - Janitor (FBEO)								
Hourly				21.22	22.28	23.39	24.56	25.79
Bi-Weekly				1,697.28	1,782.40	1,871.20	1,964.80	2,063.20
Monthly				3,677.44	3,861.87	4,054.27	4,257.07	4,470.27
Annual				44,129.28	46,342.40	48,651.20	51,084.80	53,643.20
Maintenance Worker II (FBEO)								
Hourly				24.11	25.32	26.59	27.92	29.32
Bi-Weekly				1,929.02	2,025.60	2,127.20	2,233.60	2,345.60
Monthly				4,179.55	4,388.80	4,608.93	4,839.47	5,082.13
Annual				50,154.62	52,665.60	55,307.20	58,073.60	60,985.60
Maintenance Worker III (FBEO)								
Hourly				25.32	26.58	27.91	29.31	30.78
Bi-Weekly				2,025.31	2,126.40	2,232.80	2,344.80	2,462.40
Monthly				4,388.18	4,607.20	4,837.73	5,080.40	5,335.20
Annual				52,658.11	55,286.40	58,052.80	60,964.80	64,022.40
Maintenance Worker IV (FBEO)								
Hourly				26.57	27.90	29.30	30.77	32.31
Bi-Weekly				2,125.68	2,232.00	2,344.00	2,461.60	2,584.80
Monthly				4,605.64	4,836.00	5,078.67	5,333.47	5,600.40
Annual				55,267.68	58,032.00	60,944.00	64,001.60	67,204.80
Maintenance Worker Lead (FBEO)								
Hourly				29.22	30.68	32.21	33.82	35.51
Bi-Weekly				2,337.84	2,454.40	2,576.80	2,705.60	2,840.80
Monthly				5,065.32	5,317.87	5,583.07	5,862.13	6,155.07
Annual				60,783.84	63,814.40	66,996.80	70,345.60	73,860.80

CITY OF FORT BRAGG SALARY RATE COMPENSATION PLAN

Effective 7.2.2023 Cost of Living Adjustments

Exec. Mgmt, MidMgmt, Conf/Nbarg, and FBEO 2% COLA. FBPA 3% COLA. Designating Grant Funded Classifications.

Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

				Step 1	Step 2	Step 3	Step 4	Step 5
Manager-Special Projects (Mid-Management; Non-Bargaining, Grant Funded)								
Hourly				37.17	39.03	40.98	43.03	45.18
Bi-Weekly				2,973.50	3,122.40	3,278.40	3,442.40	3,614.40
Monthly				6,442.59	6,765.20	7,103.20	7,458.53	7,831.20
Annual				77,311.10	81,182.40	85,238.40	89,502.40	93,974.40
Mechanic (FBEO)								
Hourly				27.24	28.61	30.04	31.54	33.12
Bi-Weekly				2,179.54	2,288.80	2,403.20	2,523.20	2,649.60
Monthly				4,722.33	4,959.07	5,206.93	5,466.93	5,740.80
Annual				56,667.94	59,508.80	62,483.20	65,603.20	68,889.60
Office Assistant (Temporary Position)								
Hourly				20.00				
Operations Manager (Mid-Management; Non-Bargaining)								
Hourly				40.97	43.02	45.17	47.43	49.80
Bi-Weekly				3,277.87	3,441.60	3,613.60	3,794.40	3,984.00
Monthly				7,102.06	7,456.80	7,829.47	8,221.20	8,632.00
Annual				85,224.67	89,481.60	93,953.60	98,654.40	103,584.00
Operations Supervisor (FBEO)								
Hourly				35.57	37.35	39.22	41.18	43.24
Bi-Weekly				2,845.39	2,988.00	3,137.60	3,294.40	3,459.20
Monthly				6,165.02	6,474.00	6,798.13	7,137.87	7,494.93
Annual				73,980.19	77,688.00	81,577.60	85,654.40	89,939.20
Planning Technician (FBEO)								
Hourly				25.11	26.37	27.69	29.07	30.52
Bi-Weekly				2,008.99	2,109.60	2,215.20	2,325.60	2,441.60
Monthly				4,352.82	4,570.80	4,799.60	5,038.80	5,290.13
Annual				52,233.79	54,849.60	57,595.20	60,465.60	63,481.60
Police Captain (Mid-Management; Non-Bargaining)								
Hourly				56.66	59.49	62.46	65.58	68.86
Bi-Weekly				4,532.88	4,759.20	4,996.80	5,246.40	5,508.80
Monthly				9,821.24	10,311.60	10,826.40	11,367.20	11,935.73
Annual				117,854.88	123,739.20	129,916.80	136,406.40	143,228.80
Police Chief (Executive; At Will)								
Hourly				74.68	78.42	82.34	86.46	90.78
Bi-Weekly				5,974.75	6,273.60	6,587.20	6,916.80	7,262.40
Monthly				12,945.30	13,592.80	14,272.27	14,986.40	15,735.20
Annual				155,343.55	163,113.60	171,267.20	179,836.80	188,822.40

CITY OF FORT BRAGG SALARY RATE COMPENSATION PLAN

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Exec. Mgmt, MidMgmt, Conf/Nbarg, and FBEO 2% COLA. FBPA 3% COLA. Designating Grant Funded Classifications.

Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

				Step 1	Step 2	Step 3	Step 4	Step 5
Assistant City Manager/Police Chief Executive; At Will)								
Hourly				78.41	82.33	86.45	90.77	95.31
Bi-Weekly				6,272.80	6,586.40	6,916.00	7,261.60	7,624.80
Monthly				13,591.07	14,270.53	14,984.67	15,733.47	16,520.40
Annual				163,092.80	171,246.40	179,816.00	188,801.60	198,244.80
Police Sergeant Intermediate POST (FBPA)								
Hourly				42.93	45.08	47.33	49.70	52.19
Bi-Weekly				3,434.43	3,606.40	3,786.40	3,976.00	4,175.20
Monthly				7,441.27	7,813.87	8,203.87	8,614.67	9,046.27
Annual				89,295.23	93,766.40	98,446.40	103,376.00	108,555.20
Police Sergeant Intermediate POST - Acting (FBPA, Temporary)								
Hourly				42.93	45.08	47.33	49.70	52.19
Bi-Weekly				3,434.43	3,606.40	3,786.40	3,976.00	4,175.20
Monthly				7,441.27	7,813.87	8,203.87	8,614.67	9,046.27
Annual				89,295.23	93,766.40	98,446.40	103,376.00	108,555.20
Police Sergeant Advance POST (FBPA)								
Hourly				45.39	47.66	50.04	52.54	55.17
Bi-Weekly				3,631.37	3,812.80	4,003.20	4,203.20	4,413.60
Monthly				7,867.96	8,261.07	8,673.60	9,106.93	9,562.80
Annual				94,415.57	99,132.80	104,083.20	109,283.20	114,753.60
Police Officer Basic POST (FBPA)								
Hourly				33.42	35.09	36.84	38.68	40.61
Bi-Weekly				2,673.88	2,807.20	2,947.20	3,094.40	3,248.80
Monthly				5,793.41	6,082.27	6,385.60	6,704.53	7,039.07
Annual				69,520.88	72,987.20	76,627.20	80,454.40	84,468.80
Police Officer Intermediate POST (FBPA)								
Hourly				35.09	36.85	38.69	40.62	42.65
Bi-Weekly				2,807.37	2,948.00	3,095.20	3,249.60	3,412.00
Monthly				6,082.63	6,387.33	6,706.27	7,040.80	7,392.67
Annual				72,991.57	76,648.00	80,475.20	84,489.60	88,712.00
Police Officer Advance POST (FBPA)								
Hourly				36.81	38.65	40.58	42.61	44.74
Bi-Weekly				2,944.98	3,092.00	3,246.40	3,408.80	3,579.20
Monthly				6,380.78	6,699.33	7,033.87	7,385.73	7,754.93
Annual				76,569.38	80,392.00	84,406.40	88,628.80	93,059.20
Police Recruit (1040 hours; FBPA)								
Hourly				28.72				
Police Services Transporter: (Part-Time/On-Call, 1000 Max Annual Hours; Non-Bargaining)								
Hourly				18.00				

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Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

				Step 1	Step 2	Step 3	Step 4	Step 5
Public Works Administrative Analyst (FBEO)								
Hourly				27.24	28.61	30.04	31.54	33.12
Bi -Weekly				2,179.54	2,288.80	2,403.20	2,523.20	2,649.60
Monthly				4,722.33	4,959.07	5,206.93	5,466.93	5,740.80
Annual				56,667.94	59,508.80	62,483.20	65,603.20	68,889.60
Seasonal: Laborer (1000 Maximum Annual Hours; Non-Bargaining)								
Hourly				18.00				
Seasonal: Parking Enforcement Attendant (Part-Time, 1000 Max Annual Hours; Non-Bargaining)								
Hourly				18.00				
Social Services Liaison-Crisis Worker (Non-Bargaining, Grant-Funded Position)								
Hourly				31.95	33.55	35.23	36.99	38.84
Bi-Weekly				2,556.00	2,684.00	2,818.40	2,959.20	3,107.20
Monthly				5,538.00	5,815.33	6,106.53	6,411.60	6,732.27
Annual				66,456.00	69,784.00	73,278.40	76,939.20	80,787.20
Special Investigator Basic POST (FBPA)								
Hourly				35.09	36.85	38.69	40.62	42.65
Bi-Weekly				2,807.37	2,948.00	3,095.20	3,249.60	3,412.00
Monthly				6,082.63	6,387.33	6,706.27	7,040.80	7,392.67
Annual				72,991.57	76,648.00	80,475.20	84,489.60	88,712.00
Special Investigator Intermediate POST (FBPA)								
Hourly				36.84	38.69	40.62	42.65	44.78
Bi-Weekly				2,947.45	3,095.20	3,249.60	3,412.00	3,582.40
Monthly				6,386.14	6,706.27	7,040.80	7,392.67	7,761.87
Annual				76,633.65	80,475.20	84,489.60	88,712.00	93,142.40
Special Investigator Advanced POST (FBPA)								
Hourly				38.66	40.59	42.62	44.75	46.99
Bi-Weekly				3,092.47	3,247.20	3,409.60	3,580.00	3,759.20
Monthly				6,700.36	7,035.60	7,387.47	7,756.67	8,144.93
Annual				80,404.27	84,427.20	88,649.60	93,080.00	97,739.20
Systems Analyst - Lead (Mid-Management; Non-Bargaining)								
Hourly				37.17	39.03	40.98	43.03	45.18
Bi-Weekly				2,973.50	3,122.40	3,278.40	3,442.40	3,614.40
Monthly				6,442.59	6,765.20	7,103.20	7,458.53	7,831.20
Annual				77,311.10	81,182.40	85,238.40	89,502.40	93,974.40
Systems Analyst (Confidential; Non-Bargaining)								
Hourly				30.32	31.84	33.43	35.10	36.86
Bi-Weekly				2,425.97	2,547.20	2,674.40	2,808.00	2,948.80
Monthly				5,256.26	5,518.93	5,794.53	6,084.00	6,389.07
Annual				63,075.17	66,227.20	69,534.40	73,008.00	76,668.80

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Update City Clerk and Operations Manager classifications to reflect 2022 City of Fort Bragg Classification Study recommendations. Add Police Chief/Assistant City Manager classification.

				Step 1	Step 2	Step 3	Step 4	Step 5
Systems Technician (FBEO)								
Hourly				23.27	24.43	25.65	26.93	28.28
Bi-Weekly				1,861.30	1,954.40	2,052.00	2,154.40	2,262.40
Monthly				4,032.81	4,234.53	4,446.00	4,667.87	4,901.87
Annual				48,393.70	50,814.40	53,352.00	56,014.40	58,822.40

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				Step 1	Step 2	Step 3	Step 4	Step 5
Treatment Plant Operator-in-Training (FBEO)								
Hourly				20.68	21.71	22.80	23.94	25.14
Bi-Weekly				1,654.03	1,736.80	1,824.00	1,915.20	2,011.20
Monthly				3,583.74	3,763.07	3,952.00	4,149.60	4,357.60
Annual				43,004.83	45,156.80	47,424.00	49,795.20	52,291.20
Treatment Plant Operator I (FBEO)								
Hourly				25.66	26.95	28.30	29.72	31.21
Bi-Weekly				2,053.06	2,156.00	2,264.00	2,377.60	2,496.80
Monthly				4,448.29	4,671.33	4,905.33	5,151.47	5,409.73
Annual				53,379.46	56,056.00	58,864.00	61,817.60	64,916.80
Treatment Plant Operator II (FBEO)								
Hourly				26.96	28.31	29.73	31.22	32.78
Biweekly				2,156.69	2,264.80	2,378.40	2,497.60	2,622.40
Monthly				4,672.82	4,907.07	5,153.20	5,411.47	5,681.87
Annual				56,073.89	58,884.80	61,838.40	64,937.60	68,182.40
Treatment Plant Operator - Wastewater, Lead (FBEO)								
Hourly				31.00	32.55	34.18	35.89	37.68
Biweekly				2,479.82	2,604.00	2,734.40	2,871.20	3,014.40
Monthly				5,372.95	5,642.00	5,924.53	6,220.93	6,531.20
Annual				64,475.42	67,704.00	71,094.40	74,651.20	78,374.40
Treatment Plant Operator - Water, Collection and Distribution, Lead (FBEO)								
Hourly				32.55	34.18	35.89	37.68	39.56
Biweekly				2,603.86	2,734.40	2,871.20	3,014.40	3,164.80
Monthly				5,641.69	5,924.53	6,220.93	6,531.20	6,857.07
Annual				67,700.26	71,094.40	74,651.20	78,374.40	82,284.80



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
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Text File

File Number: 23-228

Agenda Date: 7/24/2023

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Resolution

Agenda Number: 5B.

Readopt Master Traffic Resolution

The City Council considers changes to the Master Traffic Resolution once or twice each year, as necessary. The last changes were made on November 28, 2022. Since that time, the Traffic Committee has considered four (4) Traffic Modification Requests filed with the City Clerk's Office by members of the community. Three (3) changes are included in this version of the Master Traffic Resolution:

1. Delete one (1) Blue Curb at Fort Bragg Middle School located at 500 N. Harold St.
2. Add one (1) Blue Curb at 648 Stewart St.
3. Add one (1) Blue Curb at 336 N Whipple St.

RESOLUTION 1271-2023/A

MASTER TRAFFIC RESOLUTION

WHEREAS, Chapter 10.04 of the Fort Bragg Municipal Code establishes membership of the Traffic Committee to consist of the Chief of Police and Director of Public Works; and

WHEREAS, Chapter 10.08 of the Fort Bragg Municipal Code empowers the City Council, by resolution, to cause to be placed and maintained official traffic control devices; and

WHEREAS, Chapter 10.10 of the Fort Bragg Municipal Code provides that the City Council has authority to determine the placement of restricted turn signs; and

WHEREAS, Chapter 10.12 of the Fort Bragg Municipal Code provides for the City Council to designate by resolution one-way streets and alleys; and

WHEREAS, Chapter 10.14 of the Fort Bragg Municipal Code provides that the City Council may by resolution designate any street or portion thereof as through streets, any intersection or any highway (street) railway grade crossing at which vehicles are required to stop; and

WHEREAS, Section 10.20.030 of the Fort Bragg Municipal Code provides for the establishment of "no parking areas" by resolution of the City Council and indication of such area by sign or red curb; and

WHEREAS, Section 10.20.035 of the Fort Bragg Municipal Code provides for specified private properties to be subject to public traffic regulations; and

WHEREAS, certain properties have previously been designated by resolution as being subject to such public traffic regulations as provided by the Fort Bragg Municipal Code at such time as they are properly posted; and

WHEREAS, Section 22507 of the State of California Vehicle Code and Sections 10.20.190–215 of the Fort Bragg Municipal Code provide for the limitation of parking; and

WHEREAS, Chapter 10.21 of the Fort Bragg Municipal Code establishes the provisions for parking for disabled persons; and

WHEREAS, Chapter 10.22 of the Fort Bragg Municipal Code authorizes the City Council to determine the location of loading zones and passenger loading zones; and

WHEREAS, Chapter 10.28 of the Fort Bragg Municipal Code establishes prima facie speed limits of 25 mph and identifies the methodology for City Council to lower the speed limits by resolution; and

WHEREAS, Chapter 10.30 of the Fort Bragg Municipal Code provides that intersections may be declared to be yield right-of-way intersections; and

RESOLUTION 1271-2023/A (07-24-2023)
MASTER TRAFFIC RESOLUTION / CITY OF FORT BRAGG

NOW, THEREFORE, BE IT RESOLVED that Resolution 1271-2022/B is hereby repealed and replaced in full by Resolution 1271/2023/A.

BE IT FURTHER RESOLVED that the following traffic and parking regulations and control shall be adopted and enforced pursuant to provisions and penalties of Title 10 of the Fort Bragg Municipal Code.

A. RIGHT TURN ONLY INTERSECTIONS

1. From North Harbor Drive onto South Main Street (9-14-1998)
2. From North Noyo Point Road onto South Main Street (1-11-1999)
3. From the private roadway located at the north end of the South Main Street west frontage road onto South Main Street. (11-09-92; moved from Section P; 9-25-2000)

B. NO LEFT TURNS

Left turn movements at the following locations are declared to be prohibited:

1. 324 S. Lincoln Street, Redwood Elementary School parking lot. (11-22-2010)
2. 501 N. Main Street, The Brewery Shop at NCBC parking lot.
3. From North Harbor Drive onto South Main Street.

C. NO U TURN INTERSECTIONS

1. The north and eastbound quadrants of the intersection of Harold and Fir Streets.
2. All quadrants of the intersection of Harold and Laurel Streets.
3. All quadrants of the intersection of Harold and Pine Streets.

D. ONE-WAY STREETS

1. Alder Street one-way eastbound between Franklin and Main Streets. (1-27-1992; Amended: 11-26-2007)
2. Alley east of Franklin Street, one-way in a northerly direction between Cypress and Walnut Streets. (11-9-1998)
3. Alley between Harold and Corry Streets, one-way in a northerly direction between Pine and Fir Streets.
4. Alley between Main and Franklin Streets one-way in a southerly direction between Laurel and Oak Streets.
5. Alley between McPherson and Franklin Streets, one-way in a southerly direction between Pine and Laurel Streets.
6. Harold Street one-way in a northerly direction between Chestnut and Maple Streets.
7. Laurel Street one-way eastbound between Main and McPherson Streets.
8. North Lincoln Street one-way in a southerly direction between Cedar and Oak Streets. (4-26-1999)
9. South Lincoln Street one-way in a northerly direction between Willow and Oak Streets.
10. Park Street one-way in a southerly direction between Maple and Oak Streets.

E. THROUGH STREETS

RESOLUTION 1271-2023/A (07-24-2023)
MASTER TRAFFIC RESOLUTION / CITY OF FORT BRAGG

The following are through streets subject to the provisions of Section 10.14.020 of the Fort Bragg Municipal Code and other provisions of this resolution.

1. Boatyard Street from Highway 20 north to Main Street. (3-22-1993)
2. Cedar Street from Harold Street to the east city limits.
3. Harold Street from Fir Street to Maple Street.
4. Harrison Street from Winifred Street to Chestnut Street.
5. Main Street from the north city limits to the south city limits.
6. Maple Street from Franklin Street to Lincoln Street.
7. Oak Street from Harold Street to the east city limits.
8. Pine Street from Franklin Street to Harold Street.
9. Redwood Avenue from Main Street to Harold Street.
10. South Street from Franklin Street to the east city limits.

F. STOP INTERSECTIONS

On all streets at their intersection with through streets listed above provided that where northbound and southbound through streets cross eastbound and westbound through streets, eastbound and westbound shall have the through traffic and northbound and southbound shall stop, unless it is designated otherwise herein.

1. Alder Street at Franklin Street, four-way stop for all traffic. (11-26-2007)
2. Alder Street at Harold Street for east and westbound traffic.
3. Alder Street at Harrison Street for east and westbound traffic.
4. Alder Street at Main Street for eastbound traffic. (9-25-2000; Amended 11-26-2007)
5. Alley east of Franklin Street at Walnut Street for northbound traffic. (9-25-2000)
6. Azalea Circle at Sanderson Way for eastbound traffic.
7. Boatyard Street at Highway 20 for southbound traffic.
8. Brandon Way at Fir Street for southbound traffic. (4-8-1991)
9. Bush Street at Franklin Street for east and westbound traffic.
10. Bush Street at Harrison Street for east and westbound traffic.
11. Bush Street at Main Street for east and westbound traffic. (9-25-2000)
12. Bush Street at West Street for east and westbound traffic. (1-12-2009)
13. Casa del Noyo Drive at North Harbor Drive for northbound traffic. (7-11-1988)
14. Cedar Street at Harold Street for westbound traffic.
15. Cedar Street at Sanderson Way, four-way stop for all traffic. (4-12-1999)
16. Chestnut Street at Corry and Grove intersection, four-way stop for all traffic.
17. Chestnut Street at Dana Street for westbound traffic. (03-09-2020)
18. Chestnut Street at Harrison Street, four-way stop for all traffic. (4-26-1993)
19. Chestnut Street at Lincoln Street, four-way stop for all traffic.
20. Chestnut Street at Sanderson Way, four-way stop for all traffic.
21. Chief Celeri Drive at Alder Street for north and southbound traffic. (4-8-1991)
22. Chief Celeri Drive at Oak Street for southbound traffic. (3-8-1993)
23. Corry Street at Alder Street for north and southbound traffic.
24. Corry Street at Fir Street for northbound traffic. (4-8-1991)
25. Corry Street at Laurel Street for north and southbound traffic.
26. Corry Street at Madrone Street for north and southbound traffic.

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27. Corry Street at Maple Street for north and southbound traffic.
28. Corry Street at Oak Street for north and southbound traffic.
29. Corry Street at Pine Street for north and southbound traffic.
30. Corry Street at Redwood Avenue for north and southbound traffic.
31. Cypress Street at Noyo Headlands Park exit for eastbound traffic.
32. Dana Street at Chestnut Street for southbound traffic.
33. Dana Street at the entrance to Fort Bragg High School student parking lot, three way stop for all traffic. (7-22-2002)
34. Dennison Lane at Cedar Street for north and southbound traffic. (9-23-1996)
35. Ebbing Way at Chestnut Street for northbound traffic.
36. Elm Street at Franklin Street for eastbound traffic.
37. Espey Way at Walnut Street for northbound traffic. (9-25-2000)
38. Fir Street at Franklin Street for east and westbound traffic. (9-25-2000)
39. Fir Street at Harrison Street for east and westbound traffic. (08-12-2019)
40. Fir Street at Main Street for east and westbound traffic. (9-25-2000)
41. Fir Street at Stewart Street for east and westbound traffic.
42. Fir Street at West Street for east and westbound traffic.
43. Florence Street at Oak Street for northbound traffic.
44. Florence Street at Willow Street for southbound traffic.
45. Franklin Street at Chestnut Street, four-way stop for all traffic.
46. Franklin Street at Cypress Street, four-way stop for all traffic. (Amended: 9-25-2000).
47. Franklin Street at Laurel Street, three-way stop for all traffic. (4-27-2015)
48. Franklin Street at North Harbor Drive, three-way stop; Franklin Street at two locations for southbound traffic.
49. Franklin Street at Oak Street, four-way stop for all traffic.
50. Franklin Street at Pine Street, four-way stop for all traffic.
51. Franklin Street at Redwood Avenue, four-way stop for all traffic. (9-25-2000)
52. Franklin Street at South Street for north and southbound traffic.
53. Franklin Street at Walnut Street, four-way stop for all traffic. (4-27-2015)
54. Georgia Pacific Logging Road at Cypress Street for southbound traffic. (Amended: 9-25-2000)
55. Glass Beach Drive at Stewart Street, three way stop for all traffic (11-13-2001)
56. Glass Beach Drive at West Elm Street, three way stop for all traffic (11-23-2015)
57. Harold Street at Chestnut Street for northbound traffic.
58. Harold Street at Fir Street for southbound traffic
59. Harrison Street at Maple Street for north and southbound traffic.
60. Harrison Street at Oak Street for north and southbound traffic.
61. Harrison Street at Pine Street for north and southbound traffic
62. Harrison Street at Redwood Avenue for north and southbound traffic.
63. Harrison Street at Walnut Street for southbound traffic. (1-25-1993)
64. Hazel Street at Franklin Street for east and westbound traffic. (9-25-2000)
65. Hazel Street at Harrison Street for eastbound traffic.
66. Hazel Street at Main Street for westbound traffic. (9-25-2000)

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67. Hazel Street at McPherson Street for east and westbound traffic.
68. Hazelwood Street at South Street for northbound traffic. (4-9-1990)
69. Hocker Lane at Oak Street for northbound traffic. (9-25-2000)
70. Holmes Lane at Glass Beach Drive for westbound traffic (1-24-1994; amended: 9-25-2000)
71. Holmes Lane at Stewart Street for eastbound traffic (1-24-1994)
72. Howland Court at Oak Street for southbound traffic. (9-25-2000)
73. Jewett Street at Oak Street for northbound traffic. (9-25-2000)
74. John Cimolino Way at Stewart Street for westbound traffic. (9-25-2000)
75. Laurel Street at Harold Street for east and westbound traffic.
76. Laurel Street at Harrison Street for east and westbound traffic.
77. Laurel Street at McPherson Street for east and westbound traffic.
78. Laurel Street at Whipple Street, four-way stop for all traffic.
79. Lincoln Street at Alder Street for southbound traffic (6-12-1995; amended: 9-25-2000)
80. Lincoln Street at Oak Street for north and southbound traffic.
81. Lincoln Street at Willow Street for northbound traffic.
82. Livingston at Oak Street for northbound traffic.
83. Livingston Street at Willow Street for southbound traffic. (10-28-1996)
84. Lonne Way at Sanderson Way for westbound traffic. (2-24-1997)
85. Madrone Street at Franklin Street for east and westbound traffic. (9-25-2000)
86. Madrone Street at Harold Street for eastbound traffic.
87. Madrone Street at Harrison Street for east and westbound traffic.
88. Madrone Street at Main Street for westbound traffic. (9-25-2000)
89. Manzanita Street at Main Street for westbound traffic. (9-25-2000)
90. Maple Street at Franklin Street for east and westbound traffic.
91. Maple Street at Lincoln Street for eastbound traffic.
92. Maple Street at Main Street for westbound traffic. (9-25-2000)
93. Maple Street at South Harold Street, four way stop for all traffic. (03-09-2020)
94. McKinley Street at Alder Street for northbound traffic (6-12-1995) McKinley Street at Oak Street for southbound traffic.
95. McPherson Street at Alder Street for north and southbound traffic.
96. McPherson Street at Chestnut Street for southbound traffic.
97. McPherson Street at Fir Street for north and southbound traffic.
98. McPherson Street at Madrone Street for north and southbound traffic.
99. McPherson Street at Maple Street for north and southbound traffic.
100. McPherson Street at Oak Street for north and southbound traffic.
101. McPherson Street at Pine Street for north and southbound traffic.
102. McPherson Street at Redwood Avenue for north and southbound traffic.
103. Minnesota Avenue at Chestnut Street for northbound traffic.
104. Morrow Street at Alder Street for north and southbound traffic. (2-13-1989; 6-12-1995)
105. Morrow Street at Cedar Street for north and southbound traffic.
106. Morrow Street at Laurel Street for northbound traffic.

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107. Morrow Street at Oak Street for southbound traffic.
108. Myrtle Street at North Harbor Drive for southbound traffic. (1-27-1997)
109. Myrtle Street at South Street for northbound traffic. (1-27-1997)
110. North Harbor Drive at Main Street for westbound traffic. (9-25-2000)
111. North Noyo Point Road at Main Street for eastbound traffic. (9-25-2000)
112. Noyo Heights Drive at Sanderson Way for eastbound traffic. (2-24-1997)
113. Oak Street at Dana Street, four-way stop for all traffic. (7-22-2002)
114. Oak Street at Harold Street, four-way stop for all traffic.
115. Oak Street at Sanderson Way, four-way stop for all traffic.
116. Oak Terrace Court at Oak Street for southbound traffic.
117. Olsen Lane at Chestnut Street for northbound traffic.
118. Park Street at Maple Street for north and southbound traffic.
119. Park Street at Willow Street for southbound traffic.
120. Penitenti Way at Sanderson Way for eastbound traffic.
121. Perkins Way at Bush Street for north and southbound traffic. (4-8-1991)
122. Perkins Way at Fir Street for southbound traffic. (4-8-1991)
123. Pine Street at Harold Street for eastbound traffic.
124. Pine Street at Main Street for east and westbound traffic. (9-25-2000)
125. Redwood Avenue at Harold Street for east and westbound traffic.
126. River Drive at Cypress Street; two locations.
127. River Drive at Kemppe Way for southbound traffic; two signed locations. (6-10-1996)
128. River Drive at South Street for southbound traffic.
129. Sequoia Circle at South Street for southbound traffic.
130. South Main Street west frontage road at Ocean View Drive for southbound traffic. (11-9-1992)
131. South Main Street west frontage road at private roadway for northbound traffic. (11-9-1992)
132. South Main Street west frontage road at South Main Street for eastbound traffic.
133. South Street at Main Street for westbound traffic. (9-25-2000)
134. Spring Street at Chestnut Street for northbound traffic.
135. Spruce Street at Franklin Street for east and westbound traffic.
136. Spruce Street at Main Street for east and westbound traffic. (9-25-2000)
137. Stewart Street at Bush Street for north and southbound traffic.
138. Stewart Street at Elm Street for north and southbound traffic (1-24-1994)
139. Stewart Street at Pine Street for southbound traffic.
140. Stewart Street at Spruce Street for north and southbound traffic.
141. Susie Court at Chestnut Street for southbound traffic. (4-27-1992)
142. Taubold Court at Dana Street for westbound traffic.
143. Wall Street at Chestnut Street for southbound traffic.
144. Wall Street at Oak Street for northbound traffic.
145. Wall Street at Willow Street, four-way stop for all traffic (7-11-1988; amended: 9-25-2000)

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- 146. Walnut Street at Main Street for westbound traffic. (9-25-2000)
- 147. West Street at Pine Street for north and southbound traffic. (1-12-2009)
- 148. Whipple Street at Alder Street for north and southbound traffic.
- 149. Whipple Street at Chestnut for north and southbound traffic.
- 150. Whipple Street at Fir Street for northbound traffic. (4-8-1991)
- 151. Whipple Street at Madrone Street for north and southbound traffic.
- 152. Whipple Street at Maple Street for north and southbound traffic.
- 153. Whipple Street at Oak Street for north and southbound traffic.
- 154. Whipple Street at Pine Street for north and southbound traffic.
- 155. Whipple Street at Redwood Avenue for north and southbound traffic.
- 156. Whipple Street at Walnut Street for southbound traffic (12-13-1993)
- 157. Willow Street at Harold Street for westbound traffic.
- 158. Willow Street at Sanderson Way for eastbound traffic.
- 159. Woodland Drive at Chestnut Street for northbound traffic.
- 160. Woodward Street at North Harbor Drive for southbound traffic. (1-27-1997)
- 161. Woodward Street at South Street for northbound traffic. (1-27-1997)

G. NO PARKING ZONES

No Parking Zones will be designated, signed or marked as No Parking Zones as provided in Chapter 10.20.

H. RESTRICTED PARKING ON PRIVATE PROPERTY

Pursuant to Vehicle Code, Section 21107.8 and Fort Bragg Municipal Code, Section 10.20.035, the following privately owned and maintained off-street parking facilities are subject to the provisions and penalties of Title 10 of the Fort Bragg Municipal Code, Sections 22350, 23109 and the provision of Division 16.5, commencing with Section 38000 of the Vehicle Code.

BUSINESS TYPE	NUMBER	DIRECTION	LOCATION	DATE
Boatyard Shopping Center	100		Boatyard Drive	11-14-1988 Amended
Coast Christian Center	1004		Chestnut Street	11-22-2004
Calvary Baptist Church	1144		Chestnut Street	3-8-1999
Fort Bragg High School	300		Dana Street	10-09-1990
Mendocino Lithographers; parking on alley	100	N	Franklin Street	
Community First Credit Union; parking lot across street	147	N	Franklin Street	
Purity Store	242	N	Franklin Street	
Well House West	311	N	Franklin Street	

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Business/Apartments - The Showcase; parking on alley	333	N	Franklin Street	6-22-1992
Northwest Insurance Agency; parking on alley	522	N	Franklin Street	9-25-1989
Sew-n-Sew	890	N	Franklin Street	2-26-2018
Franklin St. Center	410-422	S	Franklin Street	1-30-2019
Mendocino Railway	100	W	Laurel Street	
Bank of America	228	N	Main Street	
CBD Business Complex-Redwood Center	247	N	Main Street	12-14-1998
CBD Business Complex	250	N	Main Street	10-25-1993; Amended: 2-14-2000
Coast Hardware & Radio Shack Dealer	300	N	Main Street	7-22-2002
CBD Business Complex; parking on alley	322	N	Main Street	7-10-1989
CBD Business Complex; parking on alley	338	N	Main Street	
CBD Business Complex; parking on alley	342	N	Main Street	3-24-1997
Fort Bragg Depot	401	N	Main Street	8-12-1996
North Coast Brewing Company-Tap room	444	N	Main Street	
Auto & Tow Shop	734	N	Main Street	
Business (Real Estate/Legal)	809	N	Main Street	4-23-1990
Nello's Market	860	N	Main Street	
North O'Town Industrial	1260	N	Main Street	
Gas Station	105	S	Main Street	
Business Complex	112	S	Main Street	6-8-1998
Evelyn Tregoning Buildings	120	S	Main Street	2-13-1989
CVS	150	S	Main Street	
Auto/Second Hand	350	S	Main Street	9-26-1988
Rite Aid	490	S	Main Street	
Safeway Stores	660	S	Main Street	
Business/News	684 /690	S	Main Street	12-12-1988
Insurance	720	S	Main Street	
Restaurant	740	S	Main Street	
Harbor Trailer Park	1021	S	Main Street	8-8-1988; Amended 6-8-1998
McDonald's of Fort Bragg	1190	S	Main Street	4-8-1996
Auto Shop	110		Manzanita Street	
Colombi's Laundromat	647		Oak Street	6-26-1989

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Medical/Business Complex	221		Pine Street	1-9-1989
Insurance	124	E	Pine Street	9-12-1994
Lyme Redwood	90	W	Redwood Avenue	
Mendocino Coast District Hospital	700		River Drive	4-14-2003
Medical	890		River Drive	4-27-1998
First Presbyterian Church	367	S	Sanderson Way	4-14-2003

I. TIME OR DAY LIMITED NO PARKING ZONES

No Parking - Time or Day Limited Zones will be designated, signed or marked as No Parking Zones as provided in Chapter 10.20.

J. SHORT TERM PARKING (GREEN) ZONES

Short Term Parking Zones will be designated, signed or marked as Short Term Parking Zones as provided in Chapter 10.20.

K. ONE HOUR PARKING ZONES

None at present.

L. TWO HOUR PARKING ZONES

The following listed areas are declared to be two hour parking zones between the hours of 9:00 a.m. and 6:00 p.m. with Sundays and holidays excepted.

1. Public right-of-way areas:

- a. Alder Street, both sides, from the alley between Main and Franklin Streets to the alley between Franklin and McPherson Streets. (1-9-1995; Amended 11-26-2007)
- b. Alder Street, both sides, west of Main Street. (1-9-1995)
- c. Franklin Street, both sides, between Pine and Oak Streets.
- d. Laurel Street, both sides, from the west end of Laurel Street to McPherson Street.
- e. Main Street, both sides, between Pine and Alder Streets. (9-27-1993)
- f. McPherson Street, 200 block for a distance of 158 feet from Redwood Avenue on east side, and 107 feet from Redwood Avenue on west side.
- g. Oak Street, both sides, between Main and Franklin Streets, and south side of Oak Street between Franklin and alley west of McPherson.
- h. Pine Street, south side, between Franklin and Main Streets.
- i. Redwood Avenue, both sides from the west end of Redwood Avenue to Harrison Street.

M. TIMED PARKING FOR ELECTRIC VEHICLE CHARGING STATIONS

Parking time limits for Electric Vehicle (EV) Charging Stations will be designated by accompanying signage and enforceable between the hours of 9:00 a.m. and 10:00 p.m. seven (7) days a week, as provided in Chapter 10.20. The following areas shall be regulated by EV provisions.

1. City Hall parking lot, 416 N Franklin Street (2 spaces, effective date 2-21-2018)
2. Laurel Street public parking lot, 230 E Laurel Street (2 spaces, effective date 2-21-2018)

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MASTER TRAFFIC RESOLUTION / CITY OF FORT BRAGG**

N. BLUE CURB HANDICAP ZONE APPROVALS

		STREET ADDRESS	OWNER/LOCATION	DATE
100 block of	E	Alder Street	U.S. Post Office	
248	E	Alder Street (on west side of McPherson Street)	Gwen Matson	7-24-2006
100 block of	W	Bush Street (Northwest corner at Main Street)	Rosenthal Construction Building	4-13-1992
250	E	Cypress Street	Fort Bragg Police Department- 2 spaces	
654	W	Cypress Street	Noyo Headlands Park-South Trail-2 spaces	
335	N	Corry Street	Ofelia Ybarra	11-28-2022
360	N	Corry Street	First Methodist Church	
200 block	N	Corry Street at Redwood Avenue	Trinity Lutheran Church- 2 spaces	2-11-2019
470	S	Corry Street	V. Teasant	08-12-2019
155	E	Cypress St	Donna Worster; space at Franklin St intersection	2-26-2018
300	W	Elm Street	Noyo Headlands Park-North Trail - 4 spaces	
201	E	Fir Street	St Michaels Episcopal Church; curb on Franklin Street	
200 block of	N	Franklin Street	U.S. Post Office; third parking space north of Alder Street, as restricted use only. Signs posted will indicate space is neither van accessible, nor wheelchair accessible.	10-23-2000
333	N	Franklin Street	Art Explorers	04-11-2022
416	N	Franklin Street	City Hall Parking Lot	
500 block	N	Franklin Street	First Baptist Church	1-9-1995
201	S	Franklin Street	Mabel Bozzoli	9-28-1998
1000 block		Glass Beach Drive	End of Glass Beach Drive at Pudding Creek Tress bridge - 2 spaces	
490	N	Harold Street	Senior Center/Middle School – two spaces	
500	N	Harold Street	Fort Bragg Middle School - one space	07-24-2023
545	N	Harold Street	Ali & Rick Van Zee	08-12-2019
255	S	Harold Street	Our Lady of Good Counsel	12-14-1998

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		STREET ADDRESS	OWNER/LOCATION	DATE
127	N	Harrison Street	Lorraine Reid	1-23-2017
140	N	Harrison Street	Phil Acosta	1-23-2017
300	N	Harrison Street	Rick Sapinski	1-23-2017
124	E	Laurel Street	Cucina Verona	03/09/2020
200	E	Laurel Street	Southwest Corner of Laurel & Franklin	11-26-2012
400 block	E	Laurel Street, south side— one space west of the driveway	Veteran's Memorial Building	6-28-1999
499	E	Laurel Street	FB Branch/Mendo Co. Library	
800 block	E	Laurel Street	Otis Johnson Park entrance on Laurel Street – one space	
125	S	Lincoln Street	Dick Finch	7-08-2013
300	S	Lincoln Street	CV Starr Center- five spaces	
324	S	Lincoln Street	Redwood Elementary School- two spaces	4-26-1999
355	S	Lincoln Street	LDS Church	12-14-1998
141	N	Main Street Parking Lot	City of Fort Bragg Fire Department	
363	N	Main Street	Town Hall	3-8-1993
400 block	N	Main Street Parking Lot	Public Parking lot by NCBC	
802	N	Main Street	California Department of Forestry; space is located on Spruce Street	10-9-2001
600	E	Maple Street	Our Lady of Good Counsel – two spaces	
151	S	McPherson Street	Angelina Moura – two spaces, one on McPherson one on Madrone	04-11-2022
242	N	McPherson Street	Barry Cusick	7-23-2007
320	N	McPherson Street	Dawn Ferreira	11-28-2022
137	E	Oak Street	Hospitality Center (Oak Street side)	
200	E	Oak Street	Charles Peavey	11-28-2022
224	E	Oak Street	Dora Baroni TTE	7-25-2016
315	E	Oak Street	Theresa Brazil	7-25-2005
127	E	Pine Street	First Baptist Church	1-27-1992
203	E	Pine Street	Dental/Medical Complex	05-29-2018
230	E	Pine Street	William Yeomans	7-12-2010
309	E	Redwood Avenue	Curves	11-26-2007
430	E	Redwood Avenue	Fort Bragg Lions Club	8-24-1992
620	E	Redwood Avenue	Trinity Lutheran Church- 2 spaces	2/11/2019
648		Stewart Street	Alan McClintock	7-24-2023
930		Stewart Street	Glass Beach Preschool; space is located on John Cimolino Way, north side	7-26-1999; amended: 9-25-2000
310	N	Whipple Street	Sergio Sanchez	4-14-2003
336	N	Whipple Street	Nathan Dunn	7-24-2023

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		STREET ADDRESS	OWNER/LOCATION	DATE
446	N	Whipple Street (curb on Whipple Street just south of Red Zone at stop on Pine)	Seventh Day Adventist Church	07-11-2011
465	S	Whipple Street	Katherine Thompson	11-23-1992

O. PASSENGER LOADING (WHITE LIMITED PARKING) ZONES

The following areas shall be limited to the loading and unloading of passengers between the hours of 7:00 a.m. and 6:00 p.m. with Sundays and holidays excepted.

1. Fir Street, at Fort Bragg Middle School, east end at Harold Street starting 11' from corner for a distance of 22'. (9-25-2000)
2. 135 S. Franklin Street, at Coast Cinemas, to replace current green zone. (4-27-2015)
3. Laurel Street, at Fort Bragg Library, from a point 61 feet west of Whipple Street for a distance of 30 feet. (7-23-2007)
4. Stewart Street at John Cimolino Way in front of 930 Stewart Street; starting from the curb ramp and going west for 22'. (9-25-2000)

P. LOADING (YELLOW LIMITED PARKING) ZONES

Loading Zones will be designated, signed or marked as Loading Zones as provided in Chapter 10.22.

Q. 15 MPH ZONE

1. 100 block of S. Lincoln Street. (04-09-1990)
2. 200 block of Park Street. (1-11-2010)
3. West Cypress Street. Noyo Headlands Park Entrance (03-09-2020)

R. YIELD RIGHT OF WAY

None at present.

S. SCHOOL ZONE SPEED

The following streets are hereby declared as school zones. The speed limit in said zones as described below shall be 15 miles per hour when children are present.

1. Chestnut Street, between Lincoln and eastern city limits.
2. Dana Street between Chestnut and the extension of Willow Street.
3. East Fir Street between North Whipple and North Harold.
4. Harold Street between Cedar and Fir Streets. (9-25-2000)
5. Lincoln Street, between Chestnut and Willow Streets.
6. Ocean View Drive, near Leonard Holmes Street/Harbor Avenue. (11-23-2015)
7. Sanderson Way, between Chestnut and Willow Streets.

T. MOTORIZED VEHICLES PROHIBITED

1. Extension of N Dana between Oak Street and Cedar Street. (5-9-88)
2. Extension of Willow Street between Sanderson Way and Dana Street.

U. EMERGENCY VEHICLES ONLY

RESOLUTION 1271-2023/A (07-24-2023)
MASTER TRAFFIC RESOLUTION / CITY OF FORT BRAGG

1. Boatyard Shopping Center at northwest corner of parking lot. As authorized by property owner in accordance with FBMC Title 10 and California Vehicle Code Section 38000 et seq. (6-10-1991)

The above and foregoing Resolution was introduced by Councilmember _____, seconded by Councilmember _____, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 24th day of July, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

BERNIE NORVELL
Mayor

ATTEST:

Cristal Munoz
Acting City Clerk

RESOLUTION 1271-2023/A

MASTER TRAFFIC RESOLUTION

WHEREAS, Chapter 10.04 of the Fort Bragg Municipal Code establishes membership of the Traffic Committee to consist of the Chief of Police and Director of Public Works; and

WHEREAS, Chapter 10.08 of the Fort Bragg Municipal Code empowers the City Council, by resolution, to cause to be placed and maintained official traffic control devices; and

WHEREAS, Chapter 10.10 of the Fort Bragg Municipal Code provides that the City Council has authority to determine the placement of restricted turn signs; and

WHEREAS, Chapter 10.12 of the Fort Bragg Municipal Code provides for the City Council to designate by resolution one-way streets and alleys; and

WHEREAS, Chapter 10.14 of the Fort Bragg Municipal Code provides that the City Council may by resolution designate any street or portion thereof as through streets, any intersection or any highway (street) railway grade crossing at which vehicles are required to stop; and

WHEREAS, Section 10.20.030 of the Fort Bragg Municipal Code provides for the establishment of "no parking areas" by resolution of the City Council and indication of such area by sign or red curb; and

WHEREAS, Section 10.20.035 of the Fort Bragg Municipal Code provides for specified private properties to be subject to public traffic regulations; and

WHEREAS, certain properties have previously been designated by resolution as being subject to such public traffic regulations as provided by the Fort Bragg Municipal Code at such time as they are properly posted; and

WHEREAS, Section 22507 of the State of California Vehicle Code and Sections 10.20.190–215 of the Fort Bragg Municipal Code provide for the limitation of parking; and

WHEREAS, Chapter 10.21 of the Fort Bragg Municipal Code establishes the provisions for parking for disabled persons; and

WHEREAS, Chapter 10.22 of the Fort Bragg Municipal Code authorizes the City Council to determine the location of loading zones and passenger loading zones; and

WHEREAS, Chapter 10.28 of the Fort Bragg Municipal Code establishes prima facie speed limits of 25 mph and identifies the methodology for City Council to lower the speed limits by resolution; and

WHEREAS, Chapter 10.30 of the Fort Bragg Municipal Code provides that intersections may be declared to be yield right-of-way intersections; and

RESOLUTION 1271-2023/A (07-24-2023)
MASTER TRAFFIC RESOLUTION / CITY OF FORT BRAGG

NOW, THEREFORE, BE IT RESOLVED that the following traffic and parking regulations and control shall be adopted and enforced pursuant to provisions and penalties of Title 10 of the Fort Bragg Municipal Code.

BE IT FURTHER RESOLVED that Resolution 1271-2022/B is hereby repealed and replaced in full by Resoultion 1271/2023/A.

A. RIGHT TURN ONLY INTERSECTIONS

1. From North Harbor Drive onto South Main Street (9-14-1998)
2. From North Noyo Point Road onto South Main Street (1-11-1999)
3. From the private roadway located at the north end of the South Main Street west frontage road onto South Main Street. (11-09-92; moved from Section P; 9-25-2000)

B. NO LEFT TURNS

Left turn movements at the following locations are declared to be prohibited:

1. 324 S. Lincoln Street, Redwood Elementary School parking lot. (11-22-2010)
2. 501 N. Main Street, The Brewery Shop at NCBC parking lot.
3. From North Harbor Drive onto South Main Street.

C. NO U TURN INTERSECTIONS

1. The north and eastbound quadrants of the intersection of Harold and Fir Streets.
2. All quadrants of the intersection of Harold and Laurel Streets.
3. All quadrants of the intersection of Harold and Pine Streets.

D. ONE-WAY STREETS

1. Alder Street one-way eastbound between Franklin and Main Streets. (1-27-1992; Amended: 11-26-2007)
2. Alley east of Franklin Street, one-way in a northerly direction between Cypress and Walnut Streets. (11-9-1998)
3. Alley between Harold and Corry Streets, one-way in a northerly direction between Pine and Fir Streets.
4. Alley between Main and Franklin Streets one-way in a southerly direction between Laurel and Oak Streets.
5. Alley between McPherson and Franklin Streets, one-way in a southerly direction between Pine and Laurel Streets.
6. Harold Street one-way in a northerly direction between Chestnut and Maple Streets.
7. Laurel Street one-way eastbound between Main and McPherson Streets.
8. North Lincoln Street one-way in a southerly direction between Cedar and Oak Streets. (4-26-1999)
9. South Lincoln Street one-way in a northerly direction between Willow and Oak Streets.
10. Park Street one-way in a southerly direction between Maple and Oak Streets.

E. THROUGH STREETS

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MASTER TRAFFIC RESOLUTION / CITY OF FORT BRAGG

The following are through streets subject to the provisions of Section 10.14.020 of the Fort Bragg Municipal Code and other provisions of this resolution.

1. Boatyard Street from Highway 20 north to Main Street. (3-22-1993)
2. Cedar Street from Harold Street to the east city limits.
3. Harold Street from Fir Street to Maple Street.
4. Harrison Street from Winifred Street to Chestnut Street.
5. Main Street from the north city limits to the south city limits.
6. Maple Street from Franklin Street to Lincoln Street.
7. Oak Street from Harold Street to the east city limits.
8. Pine Street from Franklin Street to Harold Street.
9. Redwood Avenue from Main Street to Harold Street.
10. South Street from Franklin Street to the east city limits.

F. STOP INTERSECTIONS

On all streets at their intersection with through streets listed above provided that where northbound and southbound through streets cross eastbound and westbound through streets, eastbound and westbound shall have the through traffic and northbound and southbound shall stop, unless it is designated otherwise herein.

1. Alder Street at Franklin Street, four-way stop for all traffic. (11-26-2007)
2. Alder Street at Harold Street for east and westbound traffic.
3. Alder Street at Harrison Street for east and westbound traffic.
4. Alder Street at Main Street for eastbound traffic. (9-25-2000; Amended 11-26-2007)
5. Alley east of Franklin Street at Walnut Street for northbound traffic. (9-25-2000)
6. Azalea Circle at Sanderson Way for eastbound traffic.
7. Boatyard Street at Highway 20 for southbound traffic.
8. Brandon Way at Fir Street for southbound traffic. (4-8-1991)
9. Bush Street at Franklin Street for east and westbound traffic.
10. Bush Street at Harrison Street for east and westbound traffic.
11. Bush Street at Main Street for east and westbound traffic. (9-25-2000)
12. Bush Street at West Street for east and westbound traffic. (1-12-2009)
13. Casa del Noyo Drive at North Harbor Drive for northbound traffic. (7-11-1988)
14. Cedar Street at Harold Street for westbound traffic.
15. Cedar Street at Sanderson Way, four-way stop for all traffic. (4-12-1999)
16. Chestnut Street at Corry and Grove intersection, four-way stop for all traffic.
17. Chestnut Street at Dana Street for westbound traffic. (03-09-2020)
18. Chestnut Street at Harrison Street, four-way stop for all traffic. (4-26-1993)
19. Chestnut Street at Lincoln Street, four-way stop for all traffic.
20. Chestnut Street at Sanderson Way, four-way stop for all traffic.
21. Chief Celeri Drive at Alder Street for north and southbound traffic. (4-8-1991)
22. Chief Celeri Drive at Oak Street for southbound traffic. (3-8-1993)
23. Corry Street at Alder Street for north and southbound traffic.
24. Corry Street at Fir Street for northbound traffic. (4-8-1991)
25. Corry Street at Laurel Street for north and southbound traffic.
26. Corry Street at Madrone Street for north and southbound traffic.

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27. Corry Street at Maple Street for north and southbound traffic.
28. Corry Street at Oak Street for north and southbound traffic.
29. Corry Street at Pine Street for north and southbound traffic.
30. Corry Street at Redwood Avenue for north and southbound traffic.
31. Cypress Street at Noyo Headlands Park exit for eastbound traffic.
32. Dana Street at Chestnut Street for southbound traffic.
33. Dana Street at the entrance to Fort Bragg High School student parking lot, three way stop for all traffic. (7-22-2002)
34. Dennison Lane at Cedar Street for north and southbound traffic. (9-23-1996)
35. Ebbing Way at Chestnut Street for northbound traffic.
36. Elm Street at Franklin Street for eastbound traffic.
37. Espey Way at Walnut Street for northbound traffic. (9-25-2000)
38. Fir Street at Franklin Street for east and westbound traffic. (9-25-2000)
39. Fir Street at Harrison Street for east and westbound traffic. (08-12-2019)
40. Fir Street at Main Street for east and westbound traffic. (9-25-2000)
41. Fir Street at Stewart Street for east and westbound traffic.
42. Fir Street at West Street for east and westbound traffic.
43. Florence Street at Oak Street for northbound traffic.
44. Florence Street at Willow Street for southbound traffic.
45. Franklin Street at Chestnut Street, four-way stop for all traffic.
46. Franklin Street at Cypress Street, four-way stop for all traffic. (Amended: 9-25-2000).
47. Franklin Street at Laurel Street, three-way stop for all traffic. (4-27-2015)
48. Franklin Street at North Harbor Drive, three-way stop; Franklin Street at two locations for southbound traffic.
49. Franklin Street at Oak Street, four-way stop for all traffic.
50. Franklin Street at Pine Street, four-way stop for all traffic.
51. Franklin Street at Redwood Avenue, four-way stop for all traffic. (9-25-2000)
52. Franklin Street at South Street for north and southbound traffic.
53. Franklin Street at Walnut Street, four-way stop for all traffic. (4-27-2015)
54. Georgia Pacific Logging Road at Cypress Street for southbound traffic. (Amended: 9-25-2000)
55. Glass Beach Drive at Stewart Street, three way stop for all traffic (11-13-2001)
56. Glass Beach Drive at West Elm Street, three way stop for all traffic (11-23-2015)
57. Harold Street at Chestnut Street for northbound traffic.
58. Harold Street at Fir Street for southbound traffic
59. Harrison Street at Maple Street for north and southbound traffic.
60. Harrison Street at Oak Street for north and southbound traffic.
61. Harrison Street at Pine Street for north and southbound traffic
62. Harrison Street at Redwood Avenue for north and southbound traffic.
63. Harrison Street at Walnut Street for southbound traffic. (1-25-1993)
64. Hazel Street at Franklin Street for east and westbound traffic. (9-25-2000)
65. Hazel Street at Harrison Street for eastbound traffic.
66. Hazel Street at Main Street for westbound traffic. (9-25-2000)

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67. Hazel Street at McPherson Street for east and westbound traffic.
68. Hazelwood Street at South Street for northbound traffic. (4-9-1990)
69. Hocker Lane at Oak Street for northbound traffic. (9-25-2000)
70. Holmes Lane at Glass Beach Drive for westbound traffic (1-24-1994; amended: 9-25-2000)
71. Holmes Lane at Stewart Street for eastbound traffic (1-24-1994)
72. Howland Court at Oak Street for southbound traffic. (9-25-2000)
73. Jewett Street at Oak Street for northbound traffic. (9-25-2000)
74. John Cimolino Way at Stewart Street for westbound traffic. (9-25-2000)
75. Laurel Street at Harold Street for east and westbound traffic.
76. Laurel Street at Harrison Street for east and westbound traffic.
77. Laurel Street at McPherson Street for east and westbound traffic.
78. Laurel Street at Whipple Street, four-way stop for all traffic.
79. Lincoln Street at Alder Street for southbound traffic (6-12-1995; amended: 9-25-2000)
80. Lincoln Street at Oak Street for north and southbound traffic.
81. Lincoln Street at Willow Street for northbound traffic.
82. Livingston at Oak Street for northbound traffic.
83. Livingston Street at Willow Street for southbound traffic. (10-28-1996)
84. Lonne Way at Sanderson Way for westbound traffic. (2-24-1997)
85. Madrone Street at Franklin Street for east and westbound traffic. (9-25-2000)
86. Madrone Street at Harold Street for eastbound traffic.
87. Madrone Street at Harrison Street for east and westbound traffic.
88. Madrone Street at Main Street for westbound traffic. (9-25-2000)
89. Manzanita Street at Main Street for westbound traffic. (9-25-2000)
90. Maple Street at Franklin Street for east and westbound traffic.
91. Maple Street at Lincoln Street for eastbound traffic.
92. Maple Street at Main Street for westbound traffic. (9-25-2000)
93. Maple Street at South Harold Street, four way stop for all traffic. (03-09-2020)
94. McKinley Street at Alder Street for northbound traffic (6-12-1995) McKinley Street at Oak Street for southbound traffic.
95. McPherson Street at Alder Street for north and southbound traffic.
96. McPherson Street at Chestnut Street for southbound traffic.
97. McPherson Street at Fir Street for north and southbound traffic.
98. McPherson Street at Madrone Street for north and southbound traffic.
99. McPherson Street at Maple Street for north and southbound traffic.
100. McPherson Street at Oak Street for north and southbound traffic.
101. McPherson Street at Pine Street for north and southbound traffic.
102. McPherson Street at Redwood Avenue for north and southbound traffic.
103. Minnesota Avenue at Chestnut Street for northbound traffic.
104. Morrow Street at Alder Street for north and southbound traffic. (2-13-1989; 6-12-1995)
105. Morrow Street at Cedar Street for north and southbound traffic.
106. Morrow Street at Laurel Street for northbound traffic.

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107. Morrow Street at Oak Street for southbound traffic.
108. Myrtle Street at North Harbor Drive for southbound traffic. (1-27-1997)
109. Myrtle Street at South Street for northbound traffic. (1-27-1997)
110. North Harbor Drive at Main Street for westbound traffic. (9-25-2000)
111. North Noyo Point Road at Main Street for eastbound traffic. (9-25-2000)
112. Noyo Heights Drive at Sanderson Way for eastbound traffic. (2-24-1997)
113. Oak Street at Dana Street, four-way stop for all traffic. (7-22-2002)
114. Oak Street at Harold Street, four-way stop for all traffic.
115. Oak Street at Sanderson Way, four-way stop for all traffic.
116. Oak Terrace Court at Oak Street for southbound traffic.
117. Olsen Lane at Chestnut Street for northbound traffic.
118. Park Street at Maple Street for north and southbound traffic.
119. Park Street at Willow Street for southbound traffic.
120. Penitenti Way at Sanderson Way for eastbound traffic.
121. Perkins Way at Bush Street for north and southbound traffic. (4-8-1991)
122. Perkins Way at Fir Street for southbound traffic. (4-8-1991)
123. Pine Street at Harold Street for eastbound traffic.
124. Pine Street at Main Street for east and westbound traffic. (9-25-2000)
125. Redwood Avenue at Harold Street for east and westbound traffic.
126. River Drive at Cypress Street; two locations.
127. River Drive at Kemppe Way for southbound traffic; two signed locations. (6-10-1996)
128. River Drive at South Street for southbound traffic.
129. Sequoia Circle at South Street for southbound traffic.
130. South Main Street west frontage road at Ocean View Drive for southbound traffic. (11-9-1992)
131. South Main Street west frontage road at private roadway for northbound traffic. (11-9-1992)
132. South Main Street west frontage road at South Main Street for eastbound traffic.
133. South Street at Main Street for westbound traffic. (9-25-2000)
134. Spring Street at Chestnut Street for northbound traffic.
135. Spruce Street at Franklin Street for east and westbound traffic.
136. Spruce Street at Main Street for east and westbound traffic. (9-25-2000)
137. Stewart Street at Bush Street for north and southbound traffic.
138. Stewart Street at Elm Street for north and southbound traffic (1-24-1994)
139. Stewart Street at Pine Street for southbound traffic.
140. Stewart Street at Spruce Street for north and southbound traffic.
141. Susie Court at Chestnut Street for southbound traffic. (4-27-1992)
142. Taubold Court at Dana Street for westbound traffic.
143. Wall Street at Chestnut Street for southbound traffic.
144. Wall Street at Oak Street for northbound traffic.
145. Wall Street at Willow Street, four-way stop for all traffic (7-11-1988; amended: 9-25-2000)

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- 146. Walnut Street at Main Street for westbound traffic. (9-25-2000)
- 147. West Street at Pine Street for north and southbound traffic. (1-12-2009)
- 148. Whipple Street at Alder Street for north and southbound traffic.
- 149. Whipple Street at Chestnut for north and southbound traffic.
- 150. Whipple Street at Fir Street for northbound traffic. (4-8-1991)
- 151. Whipple Street at Madrone Street for north and southbound traffic.
- 152. Whipple Street at Maple Street for north and southbound traffic.
- 153. Whipple Street at Oak Street for north and southbound traffic.
- 154. Whipple Street at Pine Street for north and southbound traffic.
- 155. Whipple Street at Redwood Avenue for north and southbound traffic.
- 156. Whipple Street at Walnut Street for southbound traffic (12-13-1993)
- 157. Willow Street at Harold Street for westbound traffic.
- 158. Willow Street at Sanderson Way for eastbound traffic.
- 159. Woodland Drive at Chestnut Street for northbound traffic.
- 160. Woodward Street at North Harbor Drive for southbound traffic. (1-27-1997)
- 161. Woodward Street at South Street for northbound traffic. (1-27-1997)

G. NO PARKING ZONES

No Parking Zones will be designated, signed or marked as No Parking Zones as provided in Chapter 10.20.

H. RESTRICTED PARKING ON PRIVATE PROPERTY

Pursuant to Vehicle Code, Section 21107.8 and Fort Bragg Municipal Code, Section 10.20.035, the following privately owned and maintained off-street parking facilities are subject to the provisions and penalties of Title 10 of the Fort Bragg Municipal Code, Sections 22350, 23109 and the provision of Division 16.5, commencing with Section 38000 of the Vehicle Code.

BUSINESS TYPE	NUMBER	DIRECTION	LOCATION	DATE
Boatyard Shopping Center	100		Boatyard Drive	11-14-1988 Amended
Coast Christian Center	1004		Chestnut Street	11-22-2004
Calvary Baptist Church	1144		Chestnut Street	3-8-1999
Fort Bragg High School	300		Dana Street	10-09-1990
Mendocino Lithographers; parking on alley	100	N	Franklin Street	
Community First Credit Union; parking lot across street	147	N	Franklin Street	
Purity Store	242	N	Franklin Street	
Well House West	311	N	Franklin Street	

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Business/Apartments - The Showcase; parking on alley	333	N	Franklin Street	6-22-1992
Northwest Insurance Agency; parking on alley	522	N	Franklin Street	9-25-1989
Sew-n-Sew	890	N	Franklin Street	2-26-2018
Franklin St. Center	410-422	S	Franklin Street	1-30-2019
Mendocino Railway	100	W	Laurel Street	
Bank of America	228	N	Main Street	
CBD Business Complex-Redwood Center	247	N	Main Street	12-14-1998
CBD Business Complex	250	N	Main Street	10-25-1993; Amended: 2-14-2000
Coast Hardware & Radio Shack Dealer	300	N	Main Street	7-22-2002
CBD Business Complex; parking on alley	322	N	Main Street	7-10-1989
CBD Business Complex; parking on alley	338	N	Main Street	
CBD Business Complex; parking on alley	342	N	Main Street	3-24-1997
Fort Bragg Depot	401	N	Main Street	8-12-1996
North Coast Brewing Company-Tap room	444	N	Main Street	
Auto & Tow Shop	734	N	Main Street	
Business (Real Estate/Legal)	809	N	Main Street	4-23-1990
Nello's Market	860	N	Main Street	
North O'Town Industrial	1260	N	Main Street	
Gas Station	105	S	Main Street	
Business Complex	112	S	Main Street	6-8-1998
Evelyn Tregoning Buildings	120	S	Main Street	2-13-1989
CVS	150	S	Main Street	
Auto/Second Hand	350	S	Main Street	9-26-1988
Rite Aid	490	S	Main Street	
Safeway Stores	660	S	Main Street	
Business/News	684 /690	S	Main Street	12-12-1988
Insurance	720	S	Main Street	
Restaurant	740	S	Main Street	
Harbor Trailer Park	1021	S	Main Street	8-8-1988; Amended 6-8-1998
McDonald's of Fort Bragg	1190	S	Main Street	4-8-1996
Auto Shop	110		Manzanita Street	
Colombi's Laundromat	647		Oak Street	6-26-1989

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Medical/Business Complex	221		Pine Street	1-9-1989
Insurance	124	E	Pine Street	9-12-1994
Lyme Redwood	90	W	Redwood Avenue	
Mendocino Coast District Hospital	700		River Drive	4-14-2003
Medical	890		River Drive	4-27-1998
First Presbyterian Church	367	S	Sanderson Way	4-14-2003

I. TIME OR DAY LIMITED NO PARKING ZONES

No Parking - Time or Day Limited Zones will be designated, signed or marked as No Parking Zones as provided in Chapter 10.20.

J. SHORT TERM PARKING (GREEN) ZONES

Short Term Parking Zones will be designated, signed or marked as Short Term Parking Zones as provided in Chapter 10.20.

K. ONE HOUR PARKING ZONES

None at present.

L. TWO HOUR PARKING ZONES

The following listed areas are declared to be two hour parking zones between the hours of 9:00 a.m. and 6:00 p.m. with Sundays and holidays excepted.

1. Public right-of-way areas:

- a. Alder Street, both sides, from the alley between Main and Franklin Streets to the alley between Franklin and McPherson Streets. (1-9-1995; Amended 11-26-2007)
- b. Alder Street, both sides, west of Main Street. (1-9-1995)
- c. Franklin Street, both sides, between Pine and Oak Streets.
- d. Laurel Street, both sides, from the west end of Laurel Street to McPherson Street.
- e. Main Street, both sides, between Pine and Alder Streets. (9-27-1993)
- f. McPherson Street, 200 block for a distance of 158 feet from Redwood Avenue on east side, and 107 feet from Redwood Avenue on west side.
- g. Oak Street, both sides, between Main and Franklin Streets, and south side of Oak Street between Franklin and alley west of McPherson.
- h. Pine Street, south side, between Franklin and Main Streets.
- i. Redwood Avenue, both sides from the west end of Redwood Avenue to Harrison Street.

M. TIMED PARKING FOR ELECTRIC VEHICLE CHARGING STATIONS

Parking time limits for Electric Vehicle (EV) Charging Stations will be designated by accompanying signage and enforceable between the hours of 9:00 a.m. and 10:00 p.m. seven (7) days a week, as provided in Chapter 10.20. The following areas shall be regulated by EV provisions.

1. City Hall parking lot, 416 N Franklin Street (2 spaces, effective date 2-21-2018)
2. Laurel Street public parking lot, 230 E Laurel Street (2 spaces, effective date 2-21-2018)

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N. BLUE CURB HANDICAP ZONE APPROVALS

		STREET ADDRESS	OWNER/LOCATION	DATE
100 block of	E	Alder Street	U.S. Post Office	
248	E	Alder Street (on west side of McPherson Street)	Gwen Matson	7-24-2006
100 block of	W	Bush Street (Northwest corner at Main Street)	Rosenthal Construction Building	4-13-1992
250	E	Cypress Street	Fort Bragg Police Department- 2 spaces	
654	W	Cypress Street	Noyo Headlands Park-South Trail-2 spaces	
335	N	Corry Street	Ofelia Ybarra	11-28-2022
360	N	Corry Street	First Methodist Church	
200 block	N	Corry Street at Redwood Avenue	Trinity Lutheran Church- 2 spaces	2-11-2019
470	S	Corry Street	V. Teasant	08-12-2019
155	E	Cypress St	Donna Worster; space at Franklin St intersection	2-26-2018
300	W	Elm Street	Noyo Headlands Park-North Trail - 4 spaces	
201	E	Fir Street	St Michaels Episcopal Church; curb on Franklin Street	
200 block of	N	Franklin Street	U.S. Post Office; third parking space north of Alder Street, as restricted use only. Signs posted will indicate space is neither van accessible, nor wheelchair accessible.	10-23-2000
333	N	Franklin Street	Art Explorers	04-11-2022
416	N	Franklin Street	City Hall Parking Lot	
500 block	N	Franklin Street	First Baptist Church	1-9-1995
201	S	Franklin Street	Mabel Bozzoli	9-28-1998
1000 block		Glass Beach Drive	End of Glass Beach Drive at Pudding Creek Tress bridge - 2 spaces	
490	N	Harold Street	Senior Center/Middle School – one space	
500	N	Harold Street	Fort Bragg Middle School - two spaces	
545	N	Harold Street	Ali & Rick Van Zee	08-12-2019
255	S	Harold Street	Our Lady of Good Counsel	12-14-1998

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		STREET ADDRESS	OWNER/LOCATION	DATE
127	N	Harrison Street	Lorraine Reid	1-23-2017
140	N	Harrison Street	Phil Acosta	1-23-2017
300	N	Harrison Street	Rick Sapinski	1-23-2017
124	E	Laurel Street	Cucina Verona	03/09/2020
200	E	Laurel Street	Southwest Corner of Laurel & Franklin	11-26-2012
400 block	E	Laurel Street, south side— one space west of the driveway	Veteran's Memorial Building	6-28-1999
499	E	Laurel Street	FB Branch/Mendo Co. Library	
800 block	E	Laurel Street	Otis Johnson Park entrance on Laurel Street – one space	
125	S	Lincoln Street	Dick Finch	7-08-2013
300	S	Lincoln Street	CV Starr Center- five spaces	
324	S	Lincoln Street	Redwood Elementary School- two spaces	4-26-1999
355	S	Lincoln Street	LDS Church	12-14-1998
141	N	Main Street Parking Lot	City of Fort Bragg Fire Department	
363	N	Main Street	Town Hall	3-8-1993
400 block	N	Main Street Parking Lot	Public Parking lot by NCBC	
802	N	Main Street	California Department of Forestry; space is located on Spruce Street	10-9-2001
600	E	Maple Street	Our Lady of Good Counsel – two spaces	
151	S	McPherson Street	Angelina Moura – two spaces, one on McPherson one on Madrone	04-11-2022
242	N	McPherson Street	Barry Cusick	7-23-2007
320	N	McPherson Street	Dawn Ferreira	11-28-2022
137	E	Oak Street	Hospitality Center (Oak Street side)	
200	E	Oak Street	Charles Peavey	11-28-2022
224	E	Oak Street	Dora Baroni TTE	7-25-2016
315	E	Oak Street	Theresa Brazil	7-25-2005
127	E	Pine Street	First Baptist Church	1-27-1992
203	E	Pine Street	Dental/Medical Complex	05-29-2018
230	E	Pine Street	William Yeomans	7-12-2010
309	E	Redwood Avenue	Curves	11-26-2007
430	E	Redwood Avenue	Fort Bragg Lions Club	8-24-1992
620	E	Redwood Avenue	Trinity Lutheran Church- 2 spaces	2/11/2019
648		Stewart Street	Alan McClintock	7-24-2023
930		Stewart Street	Glass Beach Preschool; space is located on John Cimolino Way, north side	7-26-1999; amended: 9-25-2000
310	N	Whipple Street	Sergio Sanchez	4-14-2003
336	N	Whipple Street	Nathan Dunn	7-24-2023

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		STREET ADDRESS	OWNER/LOCATION	DATE
446	N	Whipple Street (curb on Whipple Street just south of Red Zone at stop on Pine)	Seventh Day Adventist Church	07-11-2011
465	S	Whipple Street	Katherine Thompson	11-23-1992

O. PASSENGER LOADING (WHITE LIMITED PARKING) ZONES

The following areas shall be limited to the loading and unloading of passengers between the hours of 7:00 a.m. and 6:00 p.m. with Sundays and holidays excepted.

1. Fir Street, at Fort Bragg Middle School, east end at Harold Street starting 11' from corner for a distance of 22'. (9-25-2000)
2. 135 S. Franklin Street, at Coast Cinemas, to replace current green zone. (4-27-2015)
3. Laurel Street, at Fort Bragg Library, from a point 61 feet west of Whipple Street for a distance of 30 feet. (7-23-2007)
4. Stewart Street at John Cimolino Way in front of 930 Stewart Street; starting from the curb ramp and going west for 22'. (9-25-2000)

P. LOADING (YELLOW LIMITED PARKING) ZONES

Loading Zones will be designated, signed or marked as Loading Zones as provided in Chapter 10.22.

Q. 15 MPH ZONE

1. 100 block of S. Lincoln Street. (04-09-1990)
2. 200 block of Park Street. (1-11-2010)
3. West Cypress Street. Noyo Headlands Park Entrance (03-09-2020)

R. YIELD RIGHT OF WAY

None at present.

S. SCHOOL ZONE SPEED

The following streets are hereby declared as school zones. The speed limit in said zones as described below shall be 15 miles per hour when children are present.

1. Chestnut Street, between Lincoln and eastern city limits.
2. Dana Street between Chestnut and the extension of Willow Street.
3. East Fir Street between North Whipple and North Harold.
4. Harold Street between Cedar and Fir Streets. (9-25-2000)
5. Lincoln Street, between Chestnut and Willow Streets.
6. Ocean View Drive, near Leonard Holmes Street/Harbor Avenue. (11-23-2015)
7. Sanderson Way, between Chestnut and Willow Streets.

T. MOTORIZED VEHICLES PROHIBITED

1. Extension of N Dana between Oak Street and Cedar Street. (5-9-88)
2. Extension of Willow Street between Sanderson Way and Dana Street.

U. EMERGENCY VEHICLES ONLY

RESOLUTION 1271-2023/A (07-24-2023)
MASTER TRAFFIC RESOLUTION / CITY OF FORT BRAGG

1. Boatyard Shopping Center at northwest corner of parking lot. As authorized by property owner in accordance with FBMC Title 10 and California Vehicle Code Section 38000 et seq. (6-10-1991)

The above and foregoing Resolution was introduced by Councilmember _____, seconded by Councilmember _____, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 24th day of July, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

BERNIE NORVELL
Mayor

ATTEST:

Cristal Munoz -
Acting City Clerk



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

Text File

File Number: 23-234

Agenda Date: 7/24/2023

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Scope of Work

Agenda Number: 5C.

Approve Scope of Work for the Request for Proposals for Design Services for the Bainbridge Park Enhancement Project



Website:
www.city.fortbragg.com

Address:
416 N Franklin St
Fort Bragg, CA 95437

Phone:
707-961-2823

REQUEST FOR PROPOSALS FOR DESIGN SERVICES FOR THE BAINBRIDGE PARK ENHANCEMENT PROJECT, PWP-00096

Questions Due By:

5:00 p.m.
August 15, 2023

Proposals Due By:

2:00 P.M.
August 25, 2023

Contacts:

Chantell O'Neal
Assistant Director; Engineering
coned@fortbragg.com

Cristal Muñoz
Acting City Clerk
cmunoz@fortbragg.com

Moneque Wooden
Public Works Project Analyst
mwooden@fortbragg.com

RFP Available:

<https://www.city.fortbragg.com/government/requests-for-proposals-bids>



INTRODUCTION

The City of Fort Bragg is seeking proposals from qualified firms to provide Professional Landscape Architecture and Engineering Design services and Construction Documents for the Bainbridge Park Enhancement Project.

The Bainbridge Park Enhancement Project includes various new amenities as well as rehabilitation of existing features, including:

- The Construction of a new multi-use pavilion with electrical and water access
• Construction of (up to) 105' X 70' fenced, artificial surface soccer pitch w/lights
• New public art and landscaping throughout the park
• Master lighting control system and new lights
• Full Renovation of the 11,000sf playground with new equipment and ADA surfacing
• Camera System for Park
• Minor Cosmetic or Maintenance Upgrades for Existing Bathroom Facilities
• Incorporate Existing Drainage into the Park Layout

The City is currently under contract for the replacement of the playground equipment, as it was too old to keep in use for the duration of the enhancement project. The playground will not be included in this scope; however, the ADA surfacing of the play area is to be included.

The City has received funding from the California State Parks Program Grant (SPP Prop 68). The total park budget, which includes all hard and soft costs, shall not exceed \$2,241,000. All deliverables prepared by the selected consultant shall conform to the SPP Prop 68 Guidelines.



Figure 1: Concept Level Site Plan
Page 2



AGENCY DESCRIPTION

The City of Fort Bragg is located approximately 165 miles north of San Francisco and 188 miles west of Sacramento, with a population of about 7,000. Fort Bragg is a general law City, with a five-member City Council and operates under the Council-Manager form of government. The Council appoints the City Manager, who appoints other City officials and is charged with overseeing the City's daily operations.

The City provides a wide range of services to its residents including public protection through the Police Department, the construction and maintenance of streets and infrastructure, water service, community development, financial management, and administrative services. Special Districts and Joint Powers Authorities (JPAs) under the jurisdiction of the City provide emergency services, fire protection, wastewater treatment, and redevelopment services throughout the City. The City employs approximately 60 regular full-time employees. During the busy tourist season, the City traditionally hires temporary employees for parking enforcement and maintenance of City streets and parks.

After nearly half a century of volatile economic change imposed by industrial downsizing, Fort Bragg seeks to emphasize placemaking via its outstanding natural setting, the historic areas within the community, and an engaged Arts and Environmental community. Within its civic structure, the community is actively working to 1) participate in creative placemaking emphasizing the Arts as one means to innovate to connect residents and the natural surroundings; and 2) integrate tools to maintain Fort Bragg's greatest natural asset, the beautiful coastal environment. The City of Fort Bragg is a small community with a very involved public. The incorporation of the Arts and the inclusion of community input will be key facets of a successful park design.

PROJECT BACKGROUND

The City of Fort Bragg owns and maintains the Harold O. Bainbridge Park located at 350 N. Harrison Street. Within the Park, there is one playground. The Wiggly Giggly Playground is the only City-owned playground available to our community's young children and it is the only public playground between Leggett and Caspar. In addition to the playground, the park offers many activities for people of all ages to enjoy, including tennis courts, a basketball court, and picnic areas. The park is located within a residential neighborhood with other notable neighboring land uses including the Fort Bragg Library and the Central Business District two blocks away. The total park site to be developed is 1.4 acres.

Between 2014 and 2016, a Bainbridge Park Master Plan was prepared which should be used by the consultant to provide direction and implementation strategies for the development of the Park Enhancement Project. Since the completion of the plan, one major modification was approved by City Council with input from the community regarding the need for the installation of two artificial turf soccer fields. Figure 1 (above) represents the community input from the Master Plan and the inclusion of the soccer fields.

Currently, underway, the City Council approved a 2023 contract with GameTime and a local contractor to replace the Playground, as it was too old to keep in use for the duration of the enhancement project. The playground will not be included in this scope; however, the ADA surfacing of the play area is to be included. The feel and theme of the surfacing should reflect the playful elements incorporated in the new play equipment.



SCOPE OF WORK

The intent of this Request for Proposals (RFP) is to secure the services of a qualified Landscape Architecture and/or Engineering Design consultant to conduct design-engineering services for the Bainbridge Park Enhancement Project. Services shall generally include the following tasks:

1. Project Management
2. Data Gathering and Analysis
3. Investigations
4. Preliminary Design
5. Final Design and Contract Documents
6. Support During Bid Period
7. Support During Construction

The following Scope of Services is provided as a guideline and is intended to identify the City's expectations and requirements associated with the Final Design effort. Consultants may suggest modifications to the proposed Scope of Services and are encouraged to expand the scope to include additional and/or optional tasks if deemed necessary to execute and facilitate the final design of the Project. At a minimum, the following specific tasks are to be included in the proposed Scope of Services.

Task 1 – Project Management

- Prepare and lead the Project kick-off meeting with the City to discuss and review the following:
 - Project background, goals, constraints, and approach
 - Project reporting/communication protocols/coordination
 - Project schedule
 - Critical/High Priority Scope
- Provide electronic project design schedule (baseline and monthly progress updates) in searchable pdf format. The schedule should incorporate a minimum 3-week period for each City submittal review.
- Schedule and lead regular coordination and progress meetings with the City. Consultant shall prepare agenda, meeting minutes, and presentations (as necessary) for all meetings for the duration of the project.
- **Deliverables:** Consultant shall submit all meeting agendas and presentations to the City at least two (2) days before meetings, and all meeting minutes shall be submitted within five (5) working days following each meeting. City comments shall be incorporated, and final minutes published for distribution and record.



Task 2 – Data Gathering and Analysis

- Gather, review, and understand information on the City’s previous planning and design efforts for the Project, including a detailed review of all associated reference documents.
- Conduct field visits, inquiries, and investigations to acquire and review all relevant records of existing and proposed utilities including review of record drawings, property boundaries, and right-of-way, environmental and geologic information, as well as to document physical conditions, features, and constraints within the Project area.
- Acquire mapping, record drawings, and relevant information (aerial, utility, topographic, geologic, environmental, etc.) from City, County, USGS, and other agency sources and compile the base map.
- Review the conditions of the existing park space and the best options and ways to integrate the proposed enhancements.
- Review PG&E service needs and coordinate to ensure sufficient services for all new park lighting.
- Collect citizen input through online surveys and one in-person meeting to provide public engagement for the project. Ensure public credibility of the proposed amenities and alignment with the Park Master Plan.
- Complete an independent review of all provided reference documents to either confirm the design recommendations or suggest alternatives. Alternative recommendations shall be identified and discussed early in the design. At a minimum, consultant review shall include the following:
 - Potential environmental concerns
 - Potential utility conflicts and concerns
 - Hydrology Concerns
 - Preliminary Design Recommendations and Architectural Renderings
- Meet with City staff and discuss standards, expectations, project approach, and results of data gathering and analysis.
- **Deliverables:** Consultant shall summarize the results of this task into a Technical Memorandum (TM) and submit it as one (1) electronic copy (searchable pdf), for City review. City comments shall be incorporated into the final technical memorandum.



Task 3 - Investigations

Task 3.1 Surveying and Utility Potholing

- Using field topography methods, prepare a topographic survey of the area of work including grades, utilities, site boundaries, trees, fencing, etc. The task includes establishing horizontal and vertical control. The deliverable will be a 10-scale digital base map showing spot elevations, contours, and all existing surface and underground features identified by record drawings and field surveys.
- Define the quantity and location of utility potholing efforts required for the final design, including potholing the existing utilities in the immediate vicinity of the park as needed. Upon the City's review and acceptance of the Consultant's proposed utility potholing plan, all utility potholing efforts shall be coordinated with field surveying and final base mapping efforts.
- **Deliverables:** Results of all surveying activities shall be incorporated into the final contract documents. The results of all potholing activities shall be summarized in a report or technical memorandum submitted to the City. Submit one (1) electronic copy (searchable pdf) for City review. City comments shall be incorporated into the final report or technical memorandum.

Task 3.2 Geotechnical Investigation

- Review background information including readily available geotechnical reports, geologic maps, and aerial photographs. The design firm's geotechnical engineer shall perform subsurface exploration to evaluate the current geotechnical conditions and analyze soil samples. Perform geotechnical laboratory testing and prepare a report presenting a summary of the field and laboratory data. The report shall include geotechnical recommendations for earthwork/site preparation, design and construction of foundations, flatwork, drainage, and other pertinent geotechnical considerations for construction.
- **Deliverables:** Consultant shall summarize results and recommendations into a report. City comments shall be incorporated. One (1) electronic copy of the final geotechnical report shall be submitted. The results of the geotechnical investigation shall be incorporated into the final contract documents.

Task 4 – Preliminary Design

- The Consultant shall provide preliminary designs for all proposed project elements based on the results from tasks 2 and 3, including the following:
 - Multi-Use Pavilion Design and Location
 - Benches, Sidewalk, Signage, and BBQ Areas (as needed)
 - Soccer Pitch Design and Location
 - Public Art throughout the Park
 - Landscape Planting and Irrigation Design
 - Master Lighting Control System and New Lights
 - Camera System for Park



- Poured ADA-Compliant Surface for the Playground Area
- Minor Cosmetic or Maintenance Upgrades for Existing Bathroom Facilities
- Incorporate Existing Drainage into the Park Layout
- During preliminary design, prepare concept renderings for the proposed new facilities. The renderings will consist of bird's eye views and street views of the proposed park layout including representative landscaping and individual park elements such as the new pavilion and soccer pitch.
- Complete a lighting analysis for the proposed lighting improvement plan to ensure lighting is sized correctly and appropriately illuminates surroundings.
- Complete a preliminary plant evaluation and planting plan in accordance with City planting standards.
 - The Prop 68 guidelines required consultation with California Conservation Corp (CCC) to determine whether elements of the project could be implemented with their services. The Ukiah CCC determined their Corps members could assist with landscaping.
- Upon completion of the architectural renderings and preliminary (30%) design drawings, the consultant shall conduct a preliminary design review meeting to present the preliminary design recommendations and architectural renderings to city staff. All comments from city staff shall be incorporated into the final design.
- Provide a minimum of two City Council presentations with renderings of proposed facilities and proposed options based on public feedback provided in Task 2. Virtual attendance at Council presentations is an option. All proposed layouts will be presented for City Council and public approval before proceeding with the final design.
- **Deliverables:** All preliminary architectural engineering renderings shall be provided to the City. Plans, specifications, and engineer's estimates shall be submitted at 30% design level for City review. The consultant shall submit plans, specifications, and construction cost estimates; in searchable pdf files.

Task 5 – Final Design and Contract Documents

- The principal design components of this project include all proposed project elements based on the results from Tasks 2 and 3 and listed above Task 4.
- Consultant shall prepare Contract Bid Documents consisting of detailed design plans and specifications. The plans shall include (at a minimum):
 - General plans
 - Grading plans
 - Drainage & Storm Drain Plans



- Erosion control plans
 - Architectural Plans
 - Landscape planting and irrigation plans
 - Plumbing plans
 - Mechanical plans
 - Structural plans
 - Lighting and Electrical plans
-
- The consultant shall prepare complete specifications, including General Provisions (provided by the City), Technical Specifications, and detailed Bidding Sheets including estimated costs.
 - Contract Documents, including detailed design plans and specifications, shall be prepared in accordance with the City Standards.
 - Specifications shall include a detailed anticipated sequence of work. The sequence of work shall include sequencing for all demolitions and all construction phasing requirements as necessary for the proper construction of all proposed park facilities.
 - Specifications shall include reference to Prop 68 implementation guidelines including the required coordination with CCC for landscaping.
 - Coordinate with all local utilities and agencies including electric, television, gas, water, sewer, etc. for utility locations. All existing and proposed utilities shall be identified on the plans. Locate, identify, and show City facilities and appurtenances on the drawings, including storm drains, sewer lines, force mains, vaults, manholes, and other appurtenances. Final contract documents shall include a final electrical utility plan of service approved for construction.
 - **Deliverables** – Plans, specifications, and engineer’s estimates shall be submitted for City review at the 60%, 90%, and 100% progress levels. At each design level, the consultant shall submit electronic searchable copies of all documents. The 100% submittal shall include three (3) full-size plan sets signed by a California Licensed Landscape Architect or Licensed Engineer.

TASK 6 – Support During Bid Period

- During the bid period, the Consultant will respond to bidder requests for information (RFI), attend pre-bid meetings to respond to bidder’s questions, document questions and responses, and prepare addendums or bulletins if necessary.
- **Deliverables** - Responses will be in memorandum format and returned to the City along with the initial requests for information (RFI). The City will forward the information to the plan holders and bidders.



TASK 7 – Support During Construction

- Consultant will provide construction support services requested by the City on a time and materials basis.
- **Deliverables-** During the construction period the Consultant will respond to contractor’s RFI, attend construction meetings if requested by the City, review contractor’s submittals, and make design modifications.

REFERENCE MATERIAL AVAILBLE

- Bainbridge Park Master Plan
- SPP Prop 68 Grant Submittal and Guidelines
- California Conservation Corps Consultation Agreement
- Playground Mater Files (plans, specs, contracts)



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

Text File

File Number: 23-236

Agenda Date: 7/24/2023

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Consent Calendar

Agenda Number: 5D.

Approve Revised Scope of Work for a Request for Proposals for Design Services for the Community Development Block Grant Fire Station Rehabilitation Project, Project No. 20-CDBG-12029

On June 13, 2022 City Council approved scope of work for a request for design services for the Community Development Block Grant Fire Station Rehabilitation Project, Project No. 20-CDBG-12029. On October 11, 2022 City Council approved Resolution No. 4610-2022 approving a Professional Services Agreement with Gutierrez / Associates Architects & Planners (Gutierrez) for the Fire Station Rehabilitation Project Design. During the agreement term, Gutierrez prepared a Structural and Architectural analysis in which they determined that the scope budget exceeded that of the agreement. Because of the increase in budget required, staff determined that it was in the best interest of the City to terminate the contract and a letter of termination was sent to Gutierrez on July 14, 2023.

The original Fire Station Rehabilitation design project scope aimed to rehabilitate the three existing fire station buildings. But after Gutierrez conducted their analysis, it was determined that due to the similarities in cost of renovation versus new construction, funding new construction of the buildings would be a better use of funds. Due to the ongoing increase in cost of design and construction, the current funds available will only cover the cost of a partial design. The scope of work was reduced to focus on the reconstruction of only the north wing.

Upon authorization of this Scope of Work, a Request for Proposals will be released to qualified design proposals to procure a firm to complete the work. The completion of the Fire Station Planning Design will result in Plans and Specifications for reconstruction of the North Wing only.



CITY OF FORT BRAGG

REQUEST FOR PROPOSALS FOR DESIGN SERVICES FOR THE FIRE STATION REHABILITATION PROJECT

The City of Fort Bragg is seeking proposals from qualified design professionals interested in contracting with the City of Fort Bragg to prepare plans and specifications for the Fire Station Rehabilitation Project at 141 N Main Street, Fort Bragg, CA 95437. This activity is funded by a Community Development Block Grant from the City of Fort Bragg (City) to meet retrofit needs and seismic standards.

SCOPE OF WORK

Activity Narrative

City of Fort Bragg fire protection is provided through a Joint Powers Agreement (JPA) between the City of Fort Bragg and the Fort Bragg Rural Fire District. The JPA is known as the "Fort Bragg Fire Protection Authority." The Fort Bragg Rural Fire District, also known as the Fort Bragg Volunteer Fire Department (FBVFD), has provided fire protection service to Fort Bragg for over 110 years. Staffed largely by volunteers, it serves Fort Bragg and adjacent rural areas. Average response time for the FBVFD varies widely by area, but crews leaving from the Main Street Station can arrive at emergency scenes within City limits in five to seven minutes. Maintenance of this low response time is of critical importance to the health and safety of all Fort Bragg citizens.

The Fort Bragg Fire Station located at 141 North Main Street in Fort Bragg is comprised of three buildings that were constructed between 1947 and 1997. The Fire Station houses hundreds of thousands of dollars of emergency services equipment, the workstations of emergency staff, and has many volunteers in and out on a daily basis. The fire station on Main Street is the hub for all emergency services provided by the Fort Bragg Fire Protection Authority within Fort Bragg city limits. The facility consists of three distinct sections constructed in three phases, totaling approximately 13,062 square feet. The North Wing, constructed in 1947, houses the North Apparatus Room and adjoining rooms to the west. It is constructed of un-reinforced masonry and per the Public Facilities Master Plan, there is a "considerable risk of major structure damage" to this wing in the event of a major earthquake. The South Wing, built in 1977, contains the South Apparatus Room. The third wing, also constructed in 1977, consists of kitchen, crew's quarters, and workout rooms. The 1977 construction lacks seismic reinforcement, especially in supporting frames, such that collapse or major damage during an earthquake is considered likely.

The City's fire station was evaluated in the City of Fort Bragg Public Facilities Master Plan, prepared in March 2007 by Grossmann Design Group. The Public Facilities Master Plan concluded that the entire facility would not meet the Immediate Occupancy or Life Safety Performance criteria as defined by ASCE-31. ASCE-31 is the Seismic Evaluation of Existing Buildings published by the American

Society of Civil Engineers and the Structure Engineering Institute. ASCE-31 provides a national seismic evaluation standard and provides a process of evaluating an existing structure for the potential earthquake-related risk to human life. A seismic evaluation conducted in 2003 highlights that the existing buildings do not satisfy the “Immediate Occupancy level of performance criteria of ASCE Standard 31-03” meaning that all the buildings were non-compliant. The evaluation completed in 2009 showed that the deficiencies found in the seismic studies could be mitigated through structural improvements.

The original Fire Station Rehabilitation design project scope aimed to rehabilitate the existing buildings. However, after a structural and architectural analysis was conducted in 2023, it was determined that, due to the similarities in cost of renovation versus new construction, funding newly constructed buildings would be a better use of funds. Due to the ongoing increase in cost of design and construction, the current funds available only allow us to complete a new design for the North Wing.

This contract would consist of the following tasks:

1. Prepare all necessary design Plans and Specifications in accordance with the 2009 Fire Station Geotechnical report, 2009 Fire Station Seismic Evaluation and 2023 Structural and Architectural Analysis Report to be used for the Fire Station North Wing Reconstruction. Prepared Plans and Specifications should shall be complete in detail and contain all necessary information consistent with standard professional practice and consist of all architectural and design drawings.
2. Review and consult with City and Fire Department staff to confer on program requirements, design considerations, and preferences.
3. Participate in up to two (2) public meetings to allow for community input prior to plans and specifications being finalized.
4. Preliminary Plans, Specifications, and Cost Estimates shall be submitted for City review at the 30%, 60%, and 90% progress levels. At each design level, the consultant shall submit electronic searchable copies of all documents for comment and review by staff.
5. Final 100% construction drawings shall be prepared for project bidding purposes and shall include all related details and schedules.
 - a. Design plans shall meet requirements for California Environmental Quality Act (CEQA) analysis, planning entitlements, and submission of building permit(s).
 - b. Submittal of an electronic copy of the finished Plans, Technical Specifications and Cost Estimate.
 - c. The 100% submittal shall include (1) full-size plan set signed by a California Licensed Architect or Licensed Engineer.
6. Coordinate and respond to Requests for Information, review and response to Submittals and other design related requests during bid process and until project completion.



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
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Text File

File Number: 23-244

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In Control: City Council

File Type: Minutes

Agenda Number: 5E.

Approve Minutes of June 26, 2023



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
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Meeting Minutes City Council

*THE FORT BRAGG CITY COUNCIL MEETS CONCURRENTLY
AS THE FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT
NO. 1 AND THE FORT BRAGG REDEVELOPMENT
SUCCESSOR AGENCY*

Monday, June 26, 2023

6:00 PM

Town Hall, 363 N. Main Street and
Via Video Conference

CALL TO ORDER

Mayor Norvell called the meeting to order at 6:00 PM.

PLEDGE OF ALLEGIANCE

ROLL CALL

Present: 5 - Mayor Bernie Norvell, Vice Mayor Jason Godeke, Councilmember Tess Albin-Smith, Councilmember Lindy Peters and Councilmember Marcia Rafanan

AGENDA REVIEW

1. MAYOR'S RECOGNITIONS AND ANNOUNCEMENTS

- 1A. [23-198](#) Presentation of Proclamation Declaring June 19, 2023 as Juneteenth Day
Mayor Norvell read a Proclamation recognizing Juneteenth Day

2. PUBLIC COMMENTS ON: (1) NON-AGENDA, (2) CONSENT CALENDAR & (3) CLOSED SESSION ITEMS

- (1) Larry Worry, Gabriel Quinn Maroney and Jacob Patterson
- (2) None.
- (3) N/A.

3. STAFF COMMENTS

City Manager Ducey reported on the upcoming activities happening for the 4th of July, which includes the World's Largest Salmon BBQ and fireworks. Assistant Director of Engineering - O'neal shared the great news that the Bainbridge Park received grant funding that will allow for more park improvements to happen.

4. MATTERS FROM COUNCILMEMBERS

Vice Mayor Godeke announced that the AD Hoc on Culture will be meeting July 11th at 4:30pm and will be in person and via Zoom. Mayor Norvell stated that AD Hoc Homeless committee cancelled their meeting with Danco, but will have a meeting soon with the Plateau, Hospitality Center and RCS on a monthly basis.

5. CONSENT CALENDAR

- 5A. [23-199](#) Resolution of the Fort Bragg City Council Determining that the Public Interest and Necessity Require the Acquisition of Certain Real Property Interests for a Public Project and Directing the Filing of Eminent Domain Proceedings

This Resolution was adopted on the Consent Calendar.

Aye: 5 - Mayor Norvell, Vice Mayor Godeke, Councilmember Albin-Smith, Councilmember Peters and Councilmember Rafanan

Enactment No: RES 4695-2023

- 5B. [23-200](#) Resolution of the Fort Bragg City Council Establishing a Compensation Plan and Terms And Conditions of Employment for Exempt At-Will Executive Classifications

This Resolution was adopted on the Consent Calendar.

- 5C. [23-201](#) Resolution of the Fort Bragg City Council Establishing a Compensation Plan and Terms and Conditions of Employment for Non-Bargaining and Confidential, Non-Exempt Employees

This Resolution was adopted on the Consent Calendar.

Enactment No: RES 4697-2023

- 5D. [23-202](#) Resolution of the Fort Bragg City Council Establishing a Compensation Plan and Terms and Conditions of Employment for Exempt Mid-Management Classifications

This Resolution was adopted on the Consent Calendar.

- 5E. [23-203](#) Resolution of the Fort Bragg City Council Confirming the Pay Rates/Ranges for all City of Fort Bragg Established Classifications

This Resolution was adopted on the Consent Calendar.

Enactment No: RES 4699-2023

- 5F. [23-197](#) Approve Minutes of Special Meeting of June 5, 2023

These Minutes were approved on the Consent Calendar.

6. DISCLOSURE OF EX PARTE COMMUNICATIONS ON AGENDA ITEMS

7. PUBLIC HEARING

8. CONDUCT OF BUSINESS

- 8A. [23-204](#) Receive Report and Consider Adoption of City Council Resolution Calling a Special Municipal Election for November 7, 2023 to be Conducted by the Registrar of Voters and Submitting an Extension of the City's Streets

Maintenance Transactions and Use Tax to the Voters at that Election

Assistant Director Engineering O'Neal presented a report on ½ cent sales tax for street repairs ballot measure.

Public Comment: Jacob Patterson.

Discussion: There was some discussion surrounding the details of the ballot measure. Council agreed to proceed with the sales tax ballot measure.

A motion was made by Councilmember Rafanan, seconded by Councilmember Albin-Smith, that the Resolution be adopted. The motion carried

Enactment No: RES 4700-2023

- 8B. [23-207](#)** Receive Report and Consider Introducing, by Title Only, and Waiving the First Reading, an Ordinance of the City of Fort Bragg Extending the City's One-Half Of One Percent Transactions and Use Tax to Fund Repair, Maintenance and Reconstruction of City Streets to Continue to be Administered by the California Department of Tax and Fee Administration

Assistant Director Engineering O'Neal presented this report on approving the ordinance for the ½ cent sales tax for street repairs.

Public Comment: Jacob Patterson.

Discussion: Councilmembers were all in agreement to have this ballot measure go forward.

A motion was made by Vice Mayor Godeke, seconded by Councilmember Peters, that the Staff Report be approved. The motion carried by the following vote:

Aye: 5 - Mayor Norvell, Vice Mayor Godeke, Councilmember Albin-Smith, Councilmember Peters and Councilmember Rafanan

- 8C. [23-205](#)** Receive Report and Consider Adoption of Resolutions Approving FY 2023/24 City of Fort Bragg and Fort Bragg Municipal Improvement District No. 1 Budgets, Establishing FY 2023/24 Appropriations Limit, Approving FY 2023/24 Capital Projects Budget and Approving FY 2023/24 C.V. Starr Community Center Operating and Capital Improvement Budget

Finance Director Whippy presented the staff report on this agenda item.

Public Comment: Jacob Patterson.

Discussion:The Mayor thanked Mr. Whippy for presenting a balanced budget to the Council. He reminded Councilmembers that five separate votes would need to be taken on the budget.

A motion was made by Councilmember Peters, seconded by Mayor Norvell, that the Resolution (Budget FY 23-24) be adopted [RES 4701-2023]. The motion carried by the following vote:

Aye: 5 - Mayor Norvell, Vice Mayor Godeke, Councilmember Albin-Smith, Councilmember Peters and Councilmember Rafanan

A motion was made by Councilmember Peters, seconded by Mayor Norvell, that the Resolution (Capital Projects be adopted [RES 4702-2023/ RES ID 476-2023].

The motion carried by the following vote:

Aye: 5 - Mayor Norvell, Vice Mayor Godeke, Councilmember Albin-Smith, Councilmember Peters and Councilmember Rafanan

A motion was made by Councilmember Peters, seconded by Mayor Norvell, that the Resolution (Appropriations Limit be adopted [RES 4703-2023]. The motion carried by the following vote:

Aye: 5 - Mayor Norvell, Vice Mayor Godeke, Councilmember Albin-Smith, Councilmember Peters and Councilmember Rafanan

A motion was made by Councilmember Peters, seconded by Mayor Norvell, that the Resolution (Municipal Improvement District be adopted [RES ID 477-2023]. The motion carried by the following vote:

Aye: 5 - Mayor Norvell, Vice Mayor Godeke, Councilmember Albin-Smith, Councilmember Peters and Councilmember Rafanan

A motion was made by Councilmember Peters, seconded by Mayor Norvell, that the Resolution (CV Starr Budget be adopted [RES 4704-2023]. The motion carried by the following vote:

Aye: 5 - Mayor Norvell, Vice Mayor Godeke, Councilmember Albin-Smith, Councilmember Peters and Councilmember Rafanan

8D. [23-206](#) Receive Report and Provide Policy Direction to Staff Regarding Future Zoning Modification to Allow Outdoor Dining

Consultant Marie Jones presented this staff report.

Public Comment: Jacob Patterson.

Discussion: The Councilmembers thanked Consultant Jones for her work on this policy. They discussed small changes to the policy.

This Staff Report was approved.

8E. [23-196](#) Receive the 2022 City of Fort Bragg Compensation Study and Approve New Salary Schedule for City Clerk and Public Works Operations Manager

City Manager Peggy Ducey presented this staff report. They City worked with consultant RGS to conduct the study.

Public Comment Jacob Patterson.

Discussion: There was some discussion about the details of this study and Council was unanimous in approving this study.

This Staff Report was approved.

9. CLOSED SESSION

ADJOURNMENT

Mayor Norvell adjourned the meeting at 7:49 PM.

BERNIE NORVELL, MAYOR

June Lemos, MMC, City Clerk

IMAGED (_____)



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

Text File

File Number: 23-232

Agenda Date: 7/24/2023

Version: 1

Status: Public Hearing

In Control: City Council

File Type: Staff Report

Agenda Number: 7A.

Receive Report and Conduct Public Hearing for Disclosure of Accomplishments and Closeout of Activities Funded by Community Development Block Grant (CDBG) 17-CDBG-12020



AGENCY: City Council
MEETING DATE: July 24, 2023
DEPARTMENT: Community Development
PRESENTED BY: L. Peterson
EMAIL ADDRESS: lpeterson@fortbragg.com

AGENDA ITEM SUMMARY

TITLE:

RECEIVE REPORT AND CONDUCT PUBLIC HEARING FOR DISCLOSURE OF ACCOMPLISHMENTS AND CLOSEOUT OF ACTIVITIES FUNDED BY COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 17-CDBG-12020

ISSUE:

The expenditure period for the City's 2017 Community Development Block Grant (CDBG) 17-CDBG-12020 ended on May 31, 2023. Per CDBG requirements, a public hearing must be conducted before the governing body to notify the public of accomplishments funded by the grant. The 2017 grant was awarded to fund the Parents and Friends Residential Care Facility for the Elderly and General Administration. The following is a description of accomplishments resulting from the funded activities.

ANALYSIS:

In 2017, the City applied for funding from the CDBG program for the design and construction of the Parents and Friends Residential Care Facility for the Elderly and General Administration. The construction of handicapped centers is an eligible CDBG activity and meets CDBG's low-moderate income clientele National Objective. In 2018, the City was awarded \$3,038,896. In 2020, the City requested Supplemental Assistance in the amount of \$606,740 to account for the increased cost of construction. The request was granted, increasing the total award amount to \$3,645,636.

Design was completed for three units to serve four residents each (total of twelve residents). As the project went through the Bid process, it became clear that the cost of construction had increased more than expected, and the project was scaled down to one unit to serve four residents. Alterations to the landscaping plans were made in order to fill the space that will eventually be occupied by the two additional units while minimizing future disruption to established greenery. Native Pygmy Cypress trees have been purchased, and will be planted when mature enough to survive. Construction of the unit has been completed, and Parents and Friends is in the process of completing licensing requirements; waitlisted clients eagerly await move-in. Parents and Friends staff are seeking funding opportunities to construct the additional two units in the near future.

RECOMMENDED ACTION:

No specific action is required of Council. The purpose of this item is to provide a report and conduct a required Public Hearing to disclose accomplishments and closeout of activities funded by CDBG #17-CDBG-12020.

ALTERNATIVE ACTION(S):

None.

FISCAL IMPACT:

The 2017 grant project was implemented with CDBG grant funds. The 2017 grant provided General Administration funding that was adequate to cover administrative costs. Any on-going administrative tasks after grant close out may be covered by the City's 2020 CDBG grant administration funds. CDBG funding is intended to assist the low-and moderate-income population. Elderly and disabled

persons are presumed to be comprised principally of low-moderate income persons by CDBG. The 2017 funding provided funding for the construction of a residential care facility for the elderly.

CONSISTENCY:

The State CDBG mission is to improve the lives of low- and moderate-income residents through the creation and expansion of community and economic development opportunities, which supports livable communities for all residents. This project is consistent with the Housing Element of the City's General Plan:

Goal H-2 Expand affordable housing opportunities for persons with special housing needs such as the elderly, the disabled, households with very low to moderate incomes, and first time homebuyers.

IMPLEMENTATION/TIMEFRAMES:

The expenditure deadline for the 2017 grant was May 31, 2023. Final funds requests for the grant have been submitted to HCD. Grant closeout reports will be submitted to California Department of Housing and Community Development (HCD) after the closeout public hearing is held. The City's Agreement with CDBG expires on July 31, 2023. It is unclear when CDBG will authorize close-out the City's contract with the State because final closeout is subject to U.S. Department of Housing and Urban Development (HUD) monitoring and review of State CDBG funding allocations.

ATTACHMENTS:

1. Public Hearing Notice

NOTIFICATION:

1. CDBG "Notify Me" Subscribers



CITY OF FORT BRAGG

Incorporated August 5, 1889
416 N. Franklin St.
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Fort Bragg City Council will conduct a public hearing at a regular meeting to be held at **6:00 PM**, or as soon thereafter as the matter may be heard, on **MONDAY, July 24, 2023**, at Town Hall, southwest corner of Main and Laurel Streets (363 North Main Street), Fort Bragg, California 95437. The public hearing will concern the following item:

Receive Report and Conduct Public Hearing for Disclosure of Accomplishments and Closeout of Activities Funded by Community Development Block Grant (CDBG) 17-CDBG-12020

The purpose of the public hearing is to disclose grant accomplishments and to give citizens an opportunity to make their comments known. If you are not able to attend the public hearing, you may direct written comments to the City of Fort Bragg, Attention: Grants Coordinator Lacy Peterson, 416 N. Franklin Street, Fort Bragg, CA 95437 or email to lpeterson@fortbragg.com, or you may telephone Lacy Peterson, Grants Coordinator, at (707)961-2823 ext. 108. If you need a special accommodation because of a sensory or mobility impairment/disability, or have a need for an interpreter, please contact City Hall at (707) 961-2823 to arrange for those accommodations to be made.

The City of Fort Bragg promotes fair housing and makes all programs available to low and moderate-income families regardless of age, race, color, religion, sex, national origin, sexual preference, marital status, or handicap.

Dated: July 06, 2023

Lacy Peterson
Grants Coordinator

POST/PUBLISH: July 13, 2023

STATE OF CALIFORNIA)
) ss.
COUNTY OF MENDOCINO)

I declare, under penalty of perjury, that I am employed by the City of Fort and that I caused this Notice to be posted in the City Hall Notice Case on July 13, 2023.

Cristal Munoz
Acting City Clerk



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
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Text File

File Number: 23-231

Agenda Date: 7/24/2023

Version: 1

Status: Public Hearing

In Control: City Council

File Type: Staff Report

Agenda Number: 7B.

Receive Report, Conduct Public Hearing and Provide Direction to Staff Regarding 2023
Community Development Block Grant (CDBG) Program Applications



AGENCY: City Council
MEETING DATE: July 24, 2023
DEPARTMENT: Community Development
PRESENTED BY: L. Peterson
EMAIL ADDRESS: lpeterson@fortbragg.com

AGENDA ITEM SUMMARY

TITLE:

RECEIVE REPORT, CONDUCT PUBLIC HEARING, AND PROVIDE DIRECTION TO STAFF REGARDING 2023 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATIONS

ISSUE:

Every year, the California Department of Housing and Community Development (HCD) releases a funding opportunity under the Community Development Block Grant (CDBG) program. Funds for the program are made available to HCD from the United States Department of Housing and Urban Development (HUD). As a non-entitlement jurisdiction, the City is eligible to apply for grants through the CDBG program.

The 2023 Notice of Funding Availability (NOFA) is expected to be released near the end of July. In order to be eligible to receive CDBG funding, the City must hold at least two public hearings to solicit public input: one during the design phase and one before submitting an application to HCD. The purpose of this design phase public hearing is to ensure that the public may give input regarding potential projects and programs under the 2023 NOFA. After considering the information received from the public, City Council may direct staff regarding application preparation for the 2023 NOFA.

ANALYSIS:

CDBG Background

The primary federal objective of the CDBG program is to develop viable urban communities by providing decent housing and a suitable living environment and through expanding economic opportunities for persons of low- and moderate-income. "Persons of low and moderate income" are defined as families, households, and individuals whose incomes do not exceed 80 percent of the county median income, adjusted for family or household size. CDBG partners with rural cities and counties to improve the lives of their low- and moderate-income residents by creating and expanding community and economic development opportunities in support of livable communities.

CDBG funds are provided as grants for a wide range of activities directed toward Economic Development (ED), improvement of community facilities and infrastructure, neighborhood revitalization, and public services. All CDBG activities must meet one of the following National Objectives:

- Benefit low- and moderate-income persons;
- Aid in the prevention or elimination of slums and blight; or
- Meet certain urgent community needs.

Depending on the type of project or program, benefits can be provided directly to low-moderate-income persons, or to a predominantly low-moderate income area.

HCD assigns Matrix Codes to eligible activities used in the application process. A list of eligible activities entitled Matrix Code Definitions and a table linking Matrix codes to allowable National

Objective Codes are attached herein. These tools from the 2022 NOFA cycle may be helpful in determining how a proposed project or program fits into the CDBG program.

Below are HCD’s current CDBG household income limits, effective 6/15/2023 and updated annually.

Persons in Household	1	2	3	4	5	6	7	8
Extremely Low 30%	\$17,850	\$20,400	\$22,950	\$25,500	\$27,550	\$29,600	\$31,650	\$33,700
Low 50%	\$29,750	\$34,000	\$38,250	\$42,500	\$45,900	\$49,300	\$52,700	\$56,100
60% Limit	\$35,700	\$40,800	\$45,900	\$51,000	\$55,080	\$59,160	\$63,240	\$67,320
Moderate 80%	\$47,600	\$54,400	\$61,200	\$68,000	\$73,450	\$78,900	\$84,350	\$89,800

Current City Awards

The City has several active awards:

- Code Enforcement Program
- Business Assistance Loan Program
- Microenterprise Financial Assistance Program
- Fire Station Planning
- Water Meter Replacement Project

NOFA Updates

Staff has been attending bi-weekly virtual Office Hours sessions held by HCD’s CDBG staff, during which a preview of the upcoming NOFA has been provided. There is no anticipated change to the CDBG 2022 Amended 2019 Final Guidelines, attached herein for reference. Based on the information provided at HCD’s Office Hours, the following changes will be made from the 2022 NOFA, also attached herein for reference:

- All applications must establish a nexus to Housing or Economic Development.
- Over-the-Counter (OTC) applications will be allowed. These will be awarded on a first-come, first-served basis, as long as the application meets threshold requirements. In order to fund down waitlisted projects from the 2019-2020 solicitation, HCD will be offering a 30-day priority period to current waitlisted projects. New OTC applications will be reviewed after the 30-day period. The City does not have a waitlisted project, and HCD will not be implementing a waitlist for future solicitations.
- Most projects and programs will be considered OTC, including Housing, Public Facilities, Infrastructure Projects, and Housing and Economic Development Programs.
- A combination program of Code Enforcement with a housing nexus and Housing Rehabilitation will be allowed as one application.
- Public Services and Planning will be considered competitive. Competitive applications will be scored and ranked, and awarded accordingly.
- Entities will be allowed to submit a maximum of two applications. Only one OTC application may be submitted, while any combination of Planning and Public Services may be submitted.

- The total limit per jurisdiction will be \$3.25 million.

City Eligibility

A grantee must expend at least 50% of an existing award in order to be eligible to apply for a similar project or program under the NOFA. The City will be eligible to apply for OTC projects and Public Services projects. The City will be ineligible for Planning projects, as the Fire Station Rehabilitation award 20-CDBG-12029 will likely not meet the 50% expenditure requirement by the application deadline.

Funding limits per project type:

OTC Applications	Funding Limit
Public Facilities and Infrastructure	\$3.25 Million*
Housing Programs (can include Code Enforcement, Homebuyer, and Rehab)	\$1.5 million
ED Programs (can include Microenterprise and For-Profit)	\$1.5 million

Competitive Applications	Funding Limit
Planning	\$250,000
Public Services	\$250,000

*Note: as the jurisdiction is limited to \$3.25 million total, the OTC amount will need to be reduced by the Competitive amount if applying for Public Facilities and Infrastructure in addition to a Competitive application.

Potential application combinations (amounts listed are maximums, and may vary depending on project type):

	Application 1		Application 2	
A	OTC	\$3 million	Planning	\$250,000
B	OTC	\$3 million	Public Services	\$250,000
C	Public Services	\$250,000	Public Services	\$250,000
D	Planning	\$250,000	Public Services	\$250,000
E	Planning	\$250,000	Planning	\$250,000
F	OTC	\$3.25 million	X	X
G	Planning	\$250,000	X	X
H	Public Services	\$250,000	X	X

Note: The City will likely be ineligible to apply for combinations A, D, E, and G.

RECOMMENDED ACTION:

Consider public input and provide staff direction regarding City Council’s priorities for activities to be included in the 2023 CDBG application or applications.

ALTERNATIVE ACTION(S):

No action. Under this alternative, the City would not submit any applications for 2023 CDBG funding.

FISCAL IMPACT:

CDBG funds allow the City to conduct activities and complete projects to benefit the community, in particular the City's low- and moderate-income residents, for which funding would otherwise be unavailable. CDBG activities also create job opportunities in the community. CDBG grant administration requires a significant commitment of staff time, but CDBG provides funding for administrative activities that are generally adequate to service the program.

CONSISTENCY:

The State CDBG mission is to improve the lives of low- and moderate-income residents by creating and expanding community and economic development opportunities, which support livable communities for all residents. This mission is consistent with City Priority Areas established in City Council's April 2019 Goal Setting process including Priority Area "Jobs/Industry" (Economic Development loans and grants, Business Assistance Program); Priority Area "Quality of Life" (public improvements projects); and Priority Area "Infrastructure" (community development capital projects).

IMPLEMENTATION/TIMEFRAMES:

If City Council provides direction to submit a 2023 CDBG application or applications, another public hearing must be held and a resolution must be approved prior to application submittal. The application portal will likely open in late August and close in late October. In order to have the greatest chance of an OTC award, staff should be prepared to submit OTC applications as soon as the portal opens. For this reason, the required resolution and second public hearing should be completed in early August. Competitive applications may be submitted at any time during the application window.

ATTACHMENTS:

1. Public Hearing Notice
2. Matrix Code Definitions
3. Matrix Code-National Objective Table
4. CDBG 2019 Final Guidelines Amended 3.23.2022
5. CDBG NOFA 2022 Amendment 2

NOTIFICATION:

1. CDBG "Notify Me" Subscribers



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Receive Report, Conduct Public Hearing and Provide Direction to Staff Regarding 2023 Community Development Block Grant (CDBG) Program Applications

The purpose of the public hearing is to discuss future applications for funding under the State Community Development Block Grant (CDBG) program and to solicit citizen input on possible activities to be included in future CDBG applications. This is an opportunity for citizens to make their comments known regarding what types of eligible activities the City of Fort Bragg should apply for in the next available opportunity under the State CDBG program. Eligible activities paid for with State CDBG funds must meet one or more of the three National Objectives listed in CDBG Federal Statutes as follows: benefit to low income households or persons; elimination of slums and blight; or meeting urgent community development need.

After the Design Phase is completed, and before an application is filed with the State CDBG program, a separate meeting will be held for the purpose of public disclosure and for City Council discussion and approval of an application.

If you are not able to attend the public hearing, you may direct written comments to the City of Fort Bragg, Attention: Grants Coordinator Lacy Peterson, 416 N. Franklin Street, Fort Bragg, CA 95437 or email to lpeterson@fortbragg.com, or you may telephone Lacy Peterson, Grants Coordinator, at (707)961-2823 ext. 108. If you need a special accommodation because of a sensory or mobility impairment/disability, or have a need for an interpreter, please contact City Hall at (707) 961-2823 to arrange for those accommodations to be made.

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Dated: July 06, 2023

Lacy Peterson
Grants Coordinator

POST/PUBLISH: July 13, 2023

STATE OF CALIFORNIA)
) ss.
COUNTY OF MENDOCINO)

I declare, under penalty of perjury, that I am employed by the City of Fort and that I caused this Notice to be posted in the City Hall Notice Case on July 13, 2023.

Cristal Munoz
Acting City Clerk

Appendix A

CDBG MATRIX CODES

Release Date:
March 2019

MATRIX CODE DEFINITIONS

Matrix codes are used to indicate—but do not establish—activity eligibility. An activity must be eligible in accordance with the regulations at 24 CFR 570.201 – 570.207 for Entitlements, 570.703 – 570.705 for the Section 108 loan guarantee program, and with Section 105(a) of the HCDA [42 USC 5305] and 24 CFR 570.482 for States. Grantees need to refer to the regulations to determine an activity’s eligibility; the codes defined below are used in IDIS On-Line chiefly to categorize activities for reporting purposes.

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Code	Definition with Entitlement, State, or Section 108 loan Guarantee citations
Acquisition and Disposition	
01	<p>Acquisition of Real Property 24 CFR 570.201(e) or 42 USC 5305(a)(1) Acquisition of real property that will be developed for a public purpose. Use code 01 if CDBG funds will be used ONLY for the acquisition of property. This code is frequently used for the acquisition of property on which a public facility, public improvement or housing will be constructed using other funds.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>When a grantee acquires and constructs or rehabilitates a public facility with CDBG funds, assign the appropriate 03* matrix code, instead of 01.</i> • <i>When a grantee combines acquisition with relocation or disposition in a single activity, that activity can be coded as Acquisition 01.</i> • <i>When a grantee acquires and rehabilitates housing with CDBG funds for residential purposes, use code 14G.</i> • <i>When a grantee or subrecipient acquires land, clears structures, or packages land for the purpose of creating an industrial park or encouraging commercial/industrial redevelopment, use matrix code 17A.</i>
02	<p>Disposition of Real Property 24 CFR 570.201(b) or 42 USC 5305(a)(7) Costs related to the sale, lease, or donation of real property acquired with CDBG funds or under urban renewal. Eligible costs would include the costs incidental to disposing of the property, such as preparation of legal documents, fees paid for surveys, transfer taxes, and other costs involved in the transfer of ownership of the CDBG-assisted property. The costs can also include the costs of temporarily maintaining property pending disposition, for example, boarding property up, mowing grass, security. However, the temporary maintenance costs are eligible only for properties initially acquired with CDBG funds.</p>
04	<p>Clearance and Demolition 24 CFR 570.201(d) or 42 USC 5305(a)(4) Clearance or demolition of buildings/improvements, or the movement of buildings to other sites.</p>
04A	<p>Cleanup of Contaminated Sites 24 CFR 570.201(d) or 24 CFR 570.482(c)(3) [Public Law 105-276] Activities undertaken primarily to clean toxic/environmental waste or contamination from a site.</p>
08	<p>Relocation 24 CFR 570.201(i) or 42 USC 5305(a)(11) Relocation payments and other assistance for permanently or temporarily displaced individuals, families, businesses, non-profit organizations, and farms.</p>

Public Facilities and Improvements

Use matrix codes in this section when the CDBG funds are used by the grantee or other public or private non-profit entities for public facilities and improvements.

Note:

- Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related activities are funded with CDBG, the grantee needs to set up a separate activity for each facility or improvement.
- When a facility is used only by a specific client group, the activity should be assigned the matrix code specific to that group, not the type of facility. For instance, assign 03Q to a health facility for abused and neglected children, not 03P.
- If CDBG funds are only used to acquire property for a public facility, use matrix code 01. If the grantee uses CDBG funds to pay for the acquisition and construction, or rehabilitation of a public facility or improvement, use the appropriate 03* matrix code.
- For commercial and industrial improvements undertaken by a grantee or a subrecipient for economic development purposes, use matrix code 17A, 17B, 17C, or 17D.

03A	Senior Centers 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities (except permanent housing) for seniors. 03A may be used for a facility serving both the elderly and persons with disabilities, provided it is not intended primarily to serve persons with disabilities. If it is, use 03B instead. <i>Note: For the construction of permanent housing for the elderly, use code 12; for the rehabilitation of such housing, use the appropriate 14* code.</i>
03B	Facilities for Persons with Disabilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of centers, group homes, and other facilities (except permanent housing) for persons with disabilities. 03B may be used for a facility serving both persons with disabilities and the elderly, provided it is not intended primarily to serve the elderly. If it is, use 03A instead. <i>Note: For the construction of permanent housing for the persons with disabilities, use code 12; for the rehabilitation of such housing, use the appropriate 14* code.</i>
03C	Homeless Facilities (not operating costs) 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees. <i>Note: For the construction of permanent housing for the homeless, use code 12; for the rehabilitation of such housing, use the appropriate 14* code; for facilities for abused and neglected children, use 03Q.</i>

03D	<p>Youth Centers 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities intended primarily for young people age 13 to 19. These include playground and recreational facilities that are part of a youth center. For the acquisition, construction or rehabilitation of facilities intended primarily for children age 12 and under, use 03M; for facilities for abused and neglected children, use 03Q.</p>
03E	<p>Neighborhood Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation). Such facilities may include libraries and community centers.</p>
03F	<p>Parks, Recreational Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Development of open space areas or facilities intended primarily for recreational use.</p>
03G	<p>Parking Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of parking lots and parking garages. Use 03G if rehabilitation of a public facility or street improvement is a small part of an activity to improve a parking facility. However, if parking improvements are only a small part of a larger street improvement activity, use 03K.</p>
03H	<p>Solid Waste Disposal Improvements 24 CFR 570.201(c) or 42 USC 5205(a)(2) Acquisition, construction or rehabilitation of solid waste disposal facilities. The eligible costs can also include equipment, such as bulldozers, used exclusively at the facility.</p>
03I	<p>Flood Drainage Improvements 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of flood drainage facilities, such as retention ponds, catch basins, streambank erosion controls, channelization of streambeds, or dams. 03I can also be used for "Green Infrastructure" improvements to manage stormwater. However, if stormwater management improvements are integral to some other activity like a park or a street project, it should be included in that matrix code (03F for parks, 03K for streets) rather than 03I.</p> <p><i>Note: Do not use 03I for construction/rehabilitation of storm sewers, street drains, or storm drains. Use 03J for storm sewers and 03K for street and storm drains.</i></p>
03J	<p>Water/Sewer Improvements 24 CFR 570.201(c) or 42 USC 5305(a)(2) Installation or replacement of water lines, sanitary sewers, storm sewers, and fire hydrants. Costs of street repairs (usually repaving) made necessary by water/sewer improvement activities are included under 03J.</p> <p>For water/sewer improvements that are part of:</p> <ul style="list-style-type: none"> • More extensive street improvements, use 03K. For example, an activity that involves paving six blocks of Main Street and installing 100 feet of new water lines in one of those blocks. • A housing rehabilitation activity such as water/sewer hookups (lines from a house to the street), use the appropriate 14* housing rehabilitation matrix code.

03K	Street Improvements <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Installation or repair of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs. Also use 03K: <ul style="list-style-type: none"> For improvements that include landscaping, street lighting, and/or street signs (commonly referred to as "streetscaping"). If sidewalk improvements (see code 03L) are part of more extensive street improvements.
03L	Sidewalks <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Improvements to sidewalks. Also use 03L for sidewalk improvements that include the installation of trash receptacles, lighting, benches, and trees.
03M	Child Care Centers <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of facilities intended primarily for children age 12 and under. Examples are daycare centers and Head Start preschool centers. For the construction or rehabilitation of facilities for abused and neglected children, use 03Q; for the construction or rehabilitation of facilities for teenagers, use 03D
03N	Tree Planting <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Activities limited to tree planting (sometimes referred to as "beautification"). For streetscape activities that include tree planting, use 03K; for sidewalk improvement activities that include tree planting, use 03L.
03O	Fire Stations/Equipment <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of fire stations and/or the purchase of fire trucks and emergency rescue equipment.
03P	Health Facilities <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of physical or mental health facilities. Examples of such facilities include neighborhood clinics, hospitals, nursing homes, and convalescent homes. Health facilities for a specific client group should use the matrix code for that client group. For example, use 03Q for the construction or rehabilitation of health facilities for abused and neglected children.
03Q	Facilities for Abused and Neglected Children <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of daycare centers, treatment facilities, or temporary housing for abused and neglected children.
03R	Asbestos Removal <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Rehabilitation of any public facility undertaken primarily to remove asbestos.
03S	Facilities for AIDS Patients (not operating costs) <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of facilities for the treatment or temporary housing of people who are HIV positive or who have AIDS. For the construction or rehabilitation of facilities for AIDS education and prevention, use 03P.

03Z	<p>Other Public Improvements Not Listed in 03A-03T <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i></p> <p>This matrix code replaces matrix code 03. Only use this code when an activity does not fall under a more specific 03A – 03S matrix code. Check the following before using this matrix code:</p> <ul style="list-style-type: none"> • Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related facilities are funded by CDBG, the grantee needs to set up a separate activity for each facility or improvement. • 03Z can be used for seawalls, bus shelters, retaining walls, and wind turbines. • 03Z can be used for activities that assist persons with disabilities by removing architectural barriers from or providing ADA improvements to government buildings (activities that otherwise would not be eligible for CDBG funding).
06	<p>Interim Assistance <i>24 CFR 570.201(f) or 42 USC 5305(a)(4)</i></p> <p>Only for activities undertaken either to:</p> <ul style="list-style-type: none"> • Make limited improvements (e.g., repair of streets, sidewalks, or public buildings) intended solely to arrest further deterioration of physically deteriorated areas prior to making permanent improvements. • Alleviate emergency conditions threatening public health and safety, such as removal of tree limbs or other debris after a major storm.
11	<p>Privately Owned Utilities <i>24 CFR 570.201(l) or 42 USC 5305(a)(14)</i></p> <p>Acquisition, reconstruction, rehabilitation, or installation of distribution lines and facilities of regulated, privately owned utilities. This includes placing new or existing distribution lines/facilities underground.</p>
16B	<p>Non-Residential Historic Preservation <i>24 CFR 570.202(d)</i></p> <p>Rehabilitation of historic buildings for non-residential use. Examples include the renovation of an historic building for use as a neighborhood facility, as a museum, or by an historic preservation society.</p>
23	<p>Tornado Shelters Serving Private Mobile Home Parks <i>42 USC 5305(a)(25)</i></p> <p>Construction or improvement of tornado-safe shelters for residents of manufactured housing parks and the provision of assistance (including loans and grants) to nonprofit and for-profit entities to do so, in accordance with Section 42 USC 5305(a)(24).</p>

Public Services

Use matrix codes in this section for CDBG assisted public services activities.

- It is important to distinguish a service from construction or rehabilitation of a facility where a service is being provided. For example, the construction or rehabilitation of a senior center is coded as 03A, but the funding of services provided at a facility for senior citizens is coded as 05A.
- Rental of a facility for a service is considered a part of delivery of service and should be treated as a public service.
- Operation and maintenance may be paid with CDBG funds only for the portion of the building where a public service is being carried out.
- If the activity is restricted to one client group, use the matrix code for that group. For example, use 05A for senior services.

03T	Homeless/AIDS Patients Programs <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Costs associated with the operation of programs for the homeless or for AIDS patients, such as staff costs, utilities, maintenance, and insurance. Because payment of operating costs for these programs is a public service under CDBG, all CDBG expenditures for 03T activities are included in the calculation of the Public Services cap.
05A	Senior Services <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services for the elderly. 05A may be used for an activity that serves both the elderly and persons with disabilities provided it is intended primarily to serve elderly. If the activity is intended primarily to serve persons with disabilities, use 05B instead.
05B	Services for Persons with Disabilities <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services for the persons with disabilities, regardless of age. If the activity is intended primarily for elderly persons, use 05A instead.
05C	Legal Services <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services providing legal aid to low- and moderate-income (LMI) persons. If the legal service is only provided for the settlement of tenant/landlord disputes, use 05K.
05D	Youth Services <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services for young people age 13 to 19. For example, recreational services limited to teenagers and teen counseling programs. 05D can also be used for counseling programs that target teens but include counseling for the family as well. For services for children age 12 and under, use 05L; for services for abused and neglected children, use 05N.
05E	Transportation Services <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> General transportation services. Transportation services for a specific client group should use the matrix code for that client group. For example, use 05A for transportation services for the elderly.

05F	Substance Abuse Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Substance abuse recovery programs and substance abuse prevention/education activities. If the services are provided for a specific client group, the matrix code for that client group may be used instead. For example, substance abuse services that target teenagers may be coded either 05D or 05F.
05G	Services for victims of domestic violence, dating violence, sexual assault or stalking 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for victims of domestic violence, dating violence, sexual assault or stalking. For services limited to abused and neglected children, use 05N.
05H	Employment Training 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Assistance to increase self-sufficiency, including literacy, independent living skills, resume writing, job coaching, "how to get and keep a job" training, or training students in a particular field on skill when there is no tie to a specific position or business. For activities providing training for specific permanent jobs with specific businesses, use 18A.
05I	Crime Awareness/Prevention 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Promotion of crime awareness and prevention, including crime prevention education programs, community-oriented policing programs above and beyond normal staffing levels, installation of security cameras, and paying for security guards.
05J	Fair Housing Activities (subject to Public Services cap) 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Fair housing services (e.g. counseling on housing discrimination) as public services. The activity needs to meet a national objective. For fair housing services activities carried out as part of general program administration (and thus not required to meet a national objective), use 21D.
05K	Tenant/Landlord Counseling 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Counseling to help prevent or settle disputes between tenants and landlords.
05L	Child Care Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services that will benefit children (generally under age 13), including parenting skills classes. For services exclusively for abused and neglected children, use 05N.
05M	Health Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services addressing the physical health needs of residents of the community. For mental health services, use 05O.
05N	Services for Abused and Neglected Children 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Daycare and other services exclusively for abused and neglected children.

05O	<p>Mental Health Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services addressing the mental health needs of residents of the community.</p>
05P	<p>Screening for Lead Poisoning 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Activities undertaken primarily to provide screening for lead poisoning.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> • Use 05P to test people for possible lead poisoning. • Use 14I to test buildings/properties for presence of lead contamination.
05Q	<p>Subsistence Payments 24 CFR 570.207(b)(4) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) One-time or short-term (no more than three months) emergency payments on behalf of individuals or families, generally for the purpose of preventing homelessness. Examples include utility payments to prevent cutoff of service, and rent/mortgage payments to prevent eviction.</p>
05R	<p>Homebuyer Downpayment Assistance - Excluding Housing Counseling under 24 CFR 5.100 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Homebuyer downpayment assistance provided as a PUBLIC SERVICE. If housing counseling (under 24 CFR 5.100) is provided to in conjunction with downpayment assistance, report housing counseling separately under matrix code 05Y. If referral services, homeownership education programs, or general budget/financial counseling are provided to homebuyers in conjunction with downpayment assistance as part of a package, then the services are considered activity delivery costs as a part of an 05R activity.</p> <ul style="list-style-type: none"> • It is subject to the public service cap, unless the assistance is provided by a CBDO in an NRSA or by a 105(a)(15) entity. • Only report the number of households that received downpayment assistance as accomplishments for 05R. • For more extensive types of homeownership assistance provided under authority of the National Affordable Housing Act, use code 13B.
05S	<p>Rental Housing Subsidies 24 CFR 570.204 or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Tenant subsidies exclusively for rental payments for more than three months. Activities providing this form of assistance must be carried out by CBDOs or 105(a)(15) entities.</p>
05T	<p>Security Deposits 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Tenant subsidies exclusively for payment of security deposits.</p>

05U	Housing Counseling only, under 24 CFR 5.100 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Housing counseling, under 24 CFR 5.100, for renters, homeowners, and/or potential new homebuyers that is provided as an independent public service (i.e., not as part of another eligible housing activity).
05V	Neighborhood Cleanups 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) One-time or short-term efforts to remove trash and debris from neighborhoods. Examples of legitimate uses of this code include neighborhood cleanup campaigns and graffiti removal.
05W	Food Banks 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Costs associated with the operation of food banks, community kitchens, and food pantries, such as staff costs, supplies, utilities, maintenance, and insurance.
05X	Housing Information and Referral Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) An activity that provides housing information, education, and referral services, or general budget/financial counseling that does not meet the 24 CFR 5.100 definition of Housing Counseling.
05Y	Housing Counseling under 24 CFR 5.100 Supporting Homebuyer Downpayment Assistance (05R) 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Housing Counseling, under 24 CFR 5.100, that is provided to in conjunction with homebuyer downpayment assistance (05R) as a public service.
05Z	Other Public Services Not Listed in 03T and 05A-05Y 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) This matrix code replaced matrix code 05. Only use this matrix code when an activity does not fall under a more specific 05A-05Y code. An example of a legitimate use of this code is when the CDBG funds are provided to a non-profit organization that provides multiple types of social services for operating costs. In another example, when a public service activity that does not have a more specific matrix code, provides services to multiple groups of clients such as seniors, persons with disabilities, and homeless persons. For instance, for a "meals on wheels" program for seniors and persons with disabilities, use 05Z. If this program had only been available to seniors, the correct matrix code would have been 05A.

Housing

Housing includes new construction and rehabilitation.

- Reconstruction of housing is eligible as is rehabilitation. Replacement of stick-built residential structures with manufactured housing units, or vice versa, is eligible as reconstruction of housing.
- Manufactured housing may be rehabilitated if it is considered part of the community's permanent housing stock.
- Wiring multifamily properties for broadband internet service, as part of substantial rehabilitation as defined in 24 CFR 5.100, should be treated as a cost of the rehabilitation, not broken out separately.
- Conversion of non-residential structures to housing is eligible as rehabilitation (esp. significant for 14B, 14D, 14G).
- Rehabilitation of housing can include water/sewer hookups, running water/sewer lines from a house out to the street, installation/rehabilitation/replacement of wells, septic tanks, septic drainfields, etc.
- Historic preservation work that is done as part of other housing rehabilitation can be included in the relevant matrix code.
- Installation or replacement of landscaping materials, sidewalks, and driveways can be included when the costs are incidental to the rehabilitation of the property.

09	Loss of Rental Income <i>24 CFR 570.201(j) or 42 USC 5305(a)(6)</i> Payments to owners of housing for loss of rental income due to temporarily holding rental units for persons displaced by CDBG-assisted activities.
12	Construction of Housing <i>24 CFR 570.201(m), 570.204 or 42 USC 5305(a)(15)</i> Construction of housing with CDBG funds must either be: carried out by CBDOs, in accordance with the regulations at 24 CFR 570.204(a); in accordance with 42 USC 5305(a)(15); or last resort housing under the provisions of the Uniform Act, 42 USC Part 49.
13A	Housing Counseling, under 24 CFR 5.100, for Homeownership Assistance (13B) <i>24 CFR 570.201(n) or 42 USC 5305(a)(24)</i> Housing Counseling, under 24 CFR 5.100, when provided in conjunction with direct homeownership assistance 13B. Report housing counseling under matrix code 13A as a separate activity.

<p>13B</p>	<p>Homeownership Assistance - excluding Housing Counseling under 24 CFR 5.100 <i>24 CFR 570.201(n) or 42 USC 5305(a)(24)</i> CDBG funds may be used to provide direct homeownership assistance under 24 CFR 570.201(n) and Section 105(a)(24) of the HCDA under the low- and moderate-income housing national objective [24 CFR 570.208(a)(3) and 570.483(b)(3)]. Direct homeownership assistance may include:</p> <ul style="list-style-type: none"> • Subsidizing interest rates and mortgage principal amounts to make loan payments affordable. This may include making grants to reduce the effective interest rates charged on the loans. Low-or no-interest subordinate loans can also be used to reduce overall loan repayment amounts. • Financing the cost of acquiring property already occupied by renter households at terms needed to make the purchase affordable. • Paying all or a part of the premium on behalf of the homebuyer for mortgage insurance required upfront by a private mortgagee. • Paying any or all of the reasonable closing costs associated with the home purchase on behalf of the homebuyer. • Paying up to 50 percent of the down payment required by the mortgagee for the purchase on behalf of the homebuyer. (The 50 percent limitation on downpayment assistance is a statutory requirement. Grantee records must document what amount of downpayment is required by the mortgagee, and must clearly distinguish between the amount of CDBG funds being provided for downpayment assistance vs. the amount provided for subsidizing the mortgage principal, for closing costs, for mortgage insurance, etc.) <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>If Housing Counseling, under 24 CFR 5.100, is provided in conjunction with direct homeownership assistance, report housing counseling under matrix code 13A, as a separate activity.</i> • <i>If referral services, homeownership education programs, or general budget/financial counseling is provided to homebuyers in conjunction with homeownership assistance, the services are considered activity delivery costs as part of a 13B activity.</i> • <i>All recipients of assistance provided under matrix code 13B must be low/moderate income and the activity must meet the LMH national objective.</i> • <i>Only report the number of households that received homeownership assistance as accomplishments for 13B.</i>
<p>14A</p>	<p>Rehabilitation: Single-Unit Residential <i>24 CFR 570.202(a)(1) or 42 USC 5305(a)(4)</i> Rehabilitation of privately owned, single-unit homes. If Housing Counseling under 24 CFR 5.100 is provided in conjunction with rehabilitation, report Housing Counseling under matrix code 14L separately. If referral services, or general budget/financial counseling is provided to residents in conjunction with rehabilitation, the services are considered activity delivery costs as a part of a 14A activity.</p>

14B	<p>Rehabilitation: Multi-Unit Residential <i>24 CFR 570.202(a)(1) or 42 USC 5305(a)(4)</i> Rehabilitation of privately owned buildings with two or more permanent residential units. If Housing Counseling under 24 CFR 5.100 is provided in conjunction with rehabilitation, report Housing Counseling under matrix code 14L separately. If referral services or general budget/financial counseling is provided to residents in conjunction with rehabilitation, the services are considered activity delivery costs as a part of a 14B activity.</p> <p>For the rehabilitation of units that will provide temporary shelter or transitional housing for the homeless, use 03C.</p>
14C	<p>Rehabilitation: Public Housing Modernization <i>24 CFR 570.202(a)(2) or 42 USC 5305(a)(4)</i> Rehabilitation of housing units owned/operated by a public housing authority (PHA).</p>
14D	<p>Rehabilitation: Other Publicly Owned Residential Buildings <i>24 CFR 570.202(a)(2) or 42 USC 5305(a)(4)</i> Rehabilitation of permanent housing owned by a public entity other than a PHA.</p> <p>For the rehabilitation of other publicly owned buildings that will provide temporary shelter or transitional housing for the homeless, use 03C.</p>
14F	<p>Rehabilitation: Energy Efficiency Improvements <i>24 CFR 570.202(b)(4) or 42 USC 5305(a)(4)</i> Housing rehabilitation with the sole purpose of improving energy efficiency (e.g., a weatherization program).</p> <p>For energy efficiency improvements to public housing units, use 14C; for other publicly owned residential buildings, use 14D.</p>
14G	<p>Rehabilitation: Acquisition <i>24 CFR 570.202(b)(1) or 42 USC 5305(a)(1)</i> Acquisition of property to be rehabilitated for housing. 14G may be used whether CDBG funds will pay only for acquisition or for both acquisition and rehabilitation.</p>
14H	<p>Rehabilitation: Administration <i>24 CFR 570.202(b)(9) or 42 USC 5305(a)(4)</i> All delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing and underwriting; survey, site and utility plans; application processing.</p> <p>14H should be used when the CDBG funds are used for activity delivery costs in implementing a program where the rehabilitation hard costs are paid with other funding sources.</p> <p>Do not use 14H for the costs of actual rehabilitation and do not use it for costs unrelated to running a rehabilitation program (e.g., tenant/landlord counseling).</p> <p>For administration activities carried out as part of general program administration (and thus not required to meet a national objective), use code 21A.</p>

14I	Lead-Based Paint/Lead Hazards Testing/Abatement <i>24 CFR 570.202(f) or 42 USC 5305(a)(26)</i> Housing rehabilitation activities with the primary goal of evaluating housing units for lead-paint hazards and reducing lead-based paint/lead hazards in units. For lead-based paint/lead hazards screening of persons, use 05P.
14J	Housing Services - Excluding Housing Counseling, under 24 CFR 5.100 <i>24 CFR 570.201(k) or 42 USC 5305(a)(20)</i> Housing services, except Housing Counseling, under 24 CFR 5.100, in support of the HOME Program, eligible under 24 CFR 570.201(k).
14K	Housing Counseling, under 24 CFR 5.100, Supporting HOME Program Housing Activities <i>24 CFR 570.201(k) or 42 USC 5305(a)(20)</i> Housing Counseling, under 24 CFR 5.100, in support of a HOME- funded housing assistance program.
14L	Housing Counseling, under 24 CFR 5.100, in Conjunction with CDBG-assisted Housing Rehabilitation <i>24 CFR 570.202 or Section 42 USC 5305(a)(4)</i> Housing Counseling, under 24 CFR 5.100, in support of CDBG assisted housing rehabilitation activities, including 14A-14D, 14F-14I, and 16A.
15	Code Enforcement <i>24 CFR 570.202(c) or 42 USC 5305(a)(3)</i> Salaries and overhead costs associated with property inspections and follow-up actions (such as legal proceedings) directly related to the enforcement (not correction) of state and local codes. For the rehabilitation hard costs of correcting code violations, use the appropriate rehabilitation code under the 14* series.
16A	Residential Historic Preservation <i>24 CFR 570.202(d)</i> Rehabilitation of historic buildings for residential use. Use matrix code 16A when the preservation or restoration of historically significant features is the only work being done. If historic preservation work is done as part of other housing rehabilitation, then use the relevant 14* matrix code.
19E	CDBG Operation and Repair of Foreclosed Property ("In-Rem Housing") <i>42 USC 5305(a)(23)</i> Activities to prevent the abandonment and deterioration of housing acquired through tax foreclosure. These include making essential repairs to the housing and paying operating expenses to maintain its habitability.

Economic Development

- Matrix codes 17A – 17D should be used to identify special economic development activities carried out by the grantee or through a public or private non-profit subrecipient. Under these matrix codes, CDBG funds are not given to a specific for-profit business or businesses.
- Matrix codes 14E, 18A, 18B, 18C should be used when assistance is provided to a for-profit business for economic development projects.

14E	Rehabilitation: Publicly or Privately Owned Commercial/Industrial <i>24 CFR 570.202(a)(3) or 42 USC 5305(a)(2)</i> Rehabilitation of commercial/industrial property. If the property is privately owned, CDBG-funded rehab is limited to: <ul style="list-style-type: none">• Exterior improvements (generally referred to as “façade improvements”).• Correction of code violations. For more extensive rehabilitation of privately owned commercial/industrial property, use 17C; for infrastructure developments and improvements at commercial/industrial sites, use 17B.
17A	Commercial/Industrial: Acquisition/Disposition <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Land acquisition, clearance of structures, or assembling land for the purpose of creating industrial parks or promoting commercial/industrial development. 17A activities must be carried out by the grantee or by public or private non-profits.
17B	Commercial/Industrial: Infrastructure Development <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Street, water, parking, rail transport, or other improvements to commercial/industrial sites. 17B also includes the installation of public improvements, such as the construction of streets to and through commercial/industrial areas. 17B activities must be carried out by the grantee or by public or private non-profits.
17C	Commercial/Industrial: Building Acquisition, Construction, Rehabilitation <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Acquisition, construction, or rehabilitation of commercial/industrial buildings. 17C activities must be carried out by the grantee or by public or private non-profits.
17D	Commercial/Industrial: Other Improvements <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Commercial/industrial improvements not covered by other 17* codes. 17D activities must be carried out by the grantee or by public or private non-profits.

18A	<p>Economic Development Direct Financial Assistance to For-Profit Business <i>24 CFR 570.203(b) or 42 USC 5305(a)(17)</i> Financial assistance to private for-profit businesses to (for example) acquire property, clear structures, build, expand or rehabilitate a building, purchase equipment, or provide operating capital. Forms of assistance include loans, loan guarantees, and grants.</p> <p>With one exception, a separate 18A activity must be set up for each business assisted. If an activity is carried out under 24 CFR 570.208(a)(4)(vi) or 24 CFR 570.483(b)(4)(vi), job aggregation is allowed, and all businesses assisted during a program year may be combined in one activity.</p>
18B	<p>Economic Development: Technical Assistance <i>24 CFR 570.203(c) or 42 USC 5305(a)(17)</i> Technical assistance to for-profit businesses, including workshops, assistance in developing business plans, marketing, and referrals to lenders or technical resources. Also use 18B for activity delivery costs eligible under 24 CFR 570.203(c).</p>
18C	<p>Economic Development: Microenterprise Assistance <i>24 CFR 570.201(o) or 42 USC 5305(a)(22) + 24 CFR 570.482(c)</i> Financial assistance, technical assistance, or general support services to owners and developers of microenterprises. A microenterprise is a business with five or fewer employees, including the owner(s). The activity must be designed to exclusively serve microenterprises.</p> <p>With one exception, a separate activity must be set up for each microenterprise assisted. If an activity is carried out under 24 CFR 570.208(a)(4)(vi) or 24 CFR 570.483(b)(4)(vi), job aggregation is allowed, and all assisted businesses may be combined in one activity.</p>

General Admin	
20	Planning <i>24 CFR 570.205 or 24 CFR 570.489(a)(3)</i> Program planning activities, including the development of comprehensive plans (e.g., a consolidated plan), community development plans, energy strategies, capacity building, environmental studies, area neighborhood plans, and functional plans. These activities, along with administration activities, are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3). Under State CDBG, this matrix code would only be used for planning done in conjunction with another eligible activity.
20A	State Planning-Only Activities <i>24 CFR 570.483(b)(5) and (c)(3)</i> Program planning activities for when states award grants to units of general local government in which planning is the only activity, or in which planning activities are unrelated to any other activity funded as part of the grant. These are often referred to as "planning-only grants." These activities, along with administration activities, are subject to the 20 percent limitation under 24 CFR 570.489(a)(3).
21A	General Program Administration <i>24 CFR 570.206 or 24 CFR 570.489(a)(3)</i> Overall program administration, including (but not limited to) salaries, wages, and related costs of grantee staff or others engaged in program management, monitoring, and evaluation. These activities, along with planning activities, are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
21B	Indirect Costs <i>24 CFR 570.206(e)</i> Costs charged as general program administration under an indirect cost allocation plan. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
21C	Public Information <i>24 CFR 570.206(b)</i> Providing information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of CDBG-assisted activities. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
21D	Fair Housing Activities (subject to Admin cap) <i>24 CFR 570.206(c)</i> Fair housing activities carried out as part of general program administration rather than as a public service. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3). For fair housing activities carried out as a public service, use 05J.
21E	Submission of Applications for Federal Programs <i>24 CFR 570.206(f)</i> Preparation of (1) documents that must be submitted to HUD to receive CDBG funds or (2) applications to other federal programs for community development assistance. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).

21H	CDBG Funding of HOME Administrative Costs 24 CFR 570.206(i)(2) or 42 USC 5305(a)(13) CDBG funding of administrative costs for the HOME Program. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
21I	CDBG Funding of HOME CHDO Operating Expenses 24 CFR 570.206(i)(2) CDBG funding of CHDO operating expenses for HOME Program. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
21J	State Program Administration 24 CFR 570.489(a) State program administration, including (but not limited to) salaries, wages, and related costs required for overall program management, coordination, monitoring, reporting, and evaluation. These activities are subject to the \$100,000 plus 3% limitation.
Repayment of Section 108 Loans	
19F	Planned Repayments of Section 108 Loans 24 CFR 570.705(c) Planned payments of principal due on Section 108 loans (including prepayment or defeasance of Section 108 loans). If a grantee is planning to use CDBG funds to repay the Section 108 loans, then use matrix code 19F.
19G	Unplanned Repayments of Section 108 Loans 24 CFR 570.705(c) Unplanned payments of principal due on Section 108 loans (including prepayment or defeasance of Section 108 loans). Use matrix code 19G for the following two situations: <ul style="list-style-type: none"> • When the funds planned for Section 108 loan repayment are not available, the grantee needs to use CDBG funds to repay the Section 108 loans. • The grantee does not make a timely payment on its Section 108 Guaranteed loan, and the CDBG grant funds are deducted from grantee's line of credit to pay the Section 108 Guaranteed Loans.
24A	Payment of Interest on Section 108 Loans 24 CFR 570.703(c), 570.705(c) Payment of interest on Section 108 loans.
24B	Payment of Costs of Section 108 Financing 24 CFR 570.703(g), 570.703(n), 570.705(c) Payment of issuance, underwriting, servicing, trust administration and other costs associated with private sector financing of Section 108 loans and payment of fees charged by HUD.
24C	Debt Service Reserve 24 CFR 570.703(k), 570.705(c) Establishment of debt service reserves as additional security for repayment of Section 108 loans.

Other	
07	<p>Urban Renewal Completion <i>24 CFR 570.201(h) or 42 USC 5305(a)(10)</i> Completion of Urban Renewal projects funded under Title I of the Housing Act of 1949.</p> <ul style="list-style-type: none"> • Do not use code 07 for a downtown renewal, downtown development, or locally-created Urban Renewal activity unless the activity will result in the closing out of a federally-approved urban renewal project. • Only use for activities necessary to complete an existing Urban Renewal Plan.
19C	<p>CDBG Non-Profit Organization Capacity Building <i>24 CFR 570.201(p) or 42 USC 5305(a)(19)</i> Activities specifically designed to increase the capacity of non-profit organizations to carry out specific CDBG eligible neighborhood revitalization or economic development activities. Such activities may include providing technical assistance and specialized training to staff. The specific eligible activity for which capacity is being developed must meet a national objective. Payment of general operational and administrative costs of a non-profit organization is not eligible under this category.</p>
19H	<p>State CDBG Technical Assistance to Grantees <i>24 CFR 570.489(a)</i> Use this code to indicate State CDBG technical assistance to grantees. This code should be used only for states. CDBG State grantees should use this matrix code for activities that fall under the set-aside for technical assistance in the CDBG program. These activities are subject to the \$100,000 plus 3% limitation.</p>

Matrix Code Key		National Objective Codes (N = Not Allowed)														
Code	Eligible Activity	LMA	LMAFI	LMASA	LMC	LMCMC	LMCSV	LMH	LMHSP	LMJ	LMJFI	LMJP	SBA	SBS	SBR	URG
01	Acquisition of Property - 570.201(a)					N	N				N					
02	Disposition - 570.201(b)					N	N				N			N		
03A	Senior Centers	N				N	N	N	N							
03B	Facility for Persons with Disabilities	N				N	N	N	N							
03C	Homeless Facilities (not operating costs)	N				N	N	N	N							
03D	Youth Centers	N				N	N	N	N							
03E	Neighborhood Facilities					N	N	N	N							
03F	Parks, Recreational Facilities		N	N		N	N	N	N	N		N				
03G	Parking Facilities					N	N	N	N							
03H	Solid Waste Disposal Improvements					N	N									
03I	Flood Drainage Improvements					N	N									
03J	Water/Sewer Improvements					N	N									
03K	Street Improvements					N	N									
03L	Sidewalks					N	N									
03M	Child Care Centers	N				N	N	N	N							
03N	Tree Planting					N	N		N							
03O	Fire Station/Equipment		N	N	N	N	N	N	N	N		N				
03P	Health Facilities					N	N	N	N							
03Q	Abused and Neglected Children Facilities	N				N	N	N	N							
03R	Asbestos Removal					N	N	N	N							
03S	Facilities for AIDS Patients (no op'ing costs)	N				N	N	N	N							
03T	Operating Costs Homeless/AIDS Patients	N	N	N		N	N	N	N	N	N			N	N	
03Z	Other Public Improvements Not Listed in 03A-03S					N	N									
04	Clearance and Demolition					N	N				N					
04A	Cleanup of Contaminated Sites					N	N				N					
05A	Senior Services	N	N	N		N		N	N	N	N	N		N	N	
05B	Services for Persons with Disabilities	N	N	N		N		N	N	N	N	N		N	N	
05C	Legal Services		N	N		N		N	N	N	N	N		N	N	
05D	Youth Services	N	N	N		N		N	N	N	N	N		N	N	
05E	Transportation Services		N	N		N		N	N	N	N	N		N	N	
05F	Substance Abuse Services		N	N		N		N	N	N	N	N		N	N	
05G	Services for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking	N	N	N		N		N	N	N	N	N		N	N	
05H	Employment Training		N	N		N		N	N	N	N	N		N	N	
05I	Crime Awareness		N	N		N		N	N	N	N	N		N	N	
05J	Fair Housing Activities-Subj.to Pub.Serv.Cap		N	N		N		N	N	N	N	N		N	N	
05K	Tenant/Landlord Counseling	N	N	N		N		N	N	N	N	N		N	N	
05L	Child Care Services	N	N	N		N		N	N	N	N	N		N	N	
05M	Health Services		N	N		N		N	N	N	N	N		N	N	
05N	Abused and Neglected Children	N	N	N		N		N	N	N	N	N		N	N	
05O	Mental Health Services		N	N		N		N	N	N	N	N		N	N	
05P	Screening for Lead Based Paint/Lead Hazards	N	N	N		N		N	N	N	N	N		N	N	
05Q	Subsistence Payments	N	N	N		N		N	N	N	N	N		N	N	
05R	Homebuyer Downpayment Assistance - Excluding Housing Counseling, under 24 CFR 5.100	N	N	N	N	N	N			N	N	N		N	N	
05S	Rental Housing Subsidies	N	N	N	N	N				N	N	N		N	N	
05T	Security Deposits	N	N	N	N	N				N	N	N		N	N	
05U	Housing Counseling Only, under 24 CFR 5.100	N	N	N		N	N			N	N	N	N	N	N	N
05V	Neighborhood Cleanups		N	N	N	N		N	N	N	N	N		N	N	
05W	Food Banks		N	N		N		N	N	N	N	N		N	N	
05X	Housing information and referral services	N	N	N		N	N			N	N	N	N	N	N	N
05Y	Housing Counseling under 24 CFR 5.100 supporting homebuyer downpayment assistance (05R)	N	N	N	N	N	N			N	N	N		N	N	
05Z	Other Public Services Not Listed in 03T and 05A-05Y		N	N		N		N	N	N	N	N		N	N	
06	Interim Assistance		N	N	N	N	N	N	N	N	N	N			N	
07	Urban Renewal Completion					N	N				N		N	N		N
08	Relocation					N	N				N					
09	Rental Income Loss					N	N				N					
11	Privately Owned Utilities					N	N				N					
12	Construction of Housing	N	N	N	N	N	N			N	N	N		N		
13A	Housing Counseling, under 24 CFR 5.100, for Homeownership Assistance 13B	N	N	N	N	N	N			N	N	N	N	N	N	N
13B	Homeownership Assistance - excluding Housing Counseling under 24 CFR 5.100	N	N	N	N	N	N			N	N	N	N	N	N	N

Matrix Code Key		National Objective Codes (N = Not Allowed)														
Code	Eligible Activity	LMA	LMAFI	LMASA	LMC	LMCMC	LMCSV	LMH	LMHSP	LMJ	LMJFI	LMJP	SBA	SBS	SBR	URG
14A	Rehab; Single-Unit Residential	N	N	N	N	N	N			N	N	N				
14B	Rehab; Multi-Unit Residential	N	N	N	N	N	N			N	N	N				
14C	Public Housing Modernization	N	N	N	N	N	N			N	N	N				
14D	Rehab; Other than Public-Owned Residential Buildings	N	N	N	N	N	N			N	N	N				
14E	Rehab. Pub./Pvt.-Comm'/Indust'					N	N	N	N		N					
14F	Energy Efficiency Improvements	N	N	N	N	N	N			N	N	N				
14G	Acquisition for Rehabilitation	N	N	N	N	N	N			N	N	N				
14H	Rehabilitation Administration					N	N				N					
14I	Lead-Based Paint Abatement	N	N	N	N	N	N			N	N	N				
14J	Housing Services, excluding Housing Counseling under 24 CFR 5.100	N	N	N	N	N	N			N	N	N	N	N	N	N
14K	Housing Counseling, under 24 CFR 5.100, Supporting HOME Program Assistance Housing Activities	N	N	N	N	N	N			N	N	N	N	N	N	N
14L	Housing Counseling, under 24 CFR 5.100, in Conjunction with CDBG Assisted Housing Rehab	N	N	N	N	N	N			N	N	N				
15	Code Enforcement		N	N	N	N	N	N	N	N	N	N		N		
16A	Residential Historic Preservation	N	N	N	N	N	N			N	N	N				N
16B	Non-Residential Historic Preservation					N	N	N	N		N					N
17A	ED Acquisition by Recipient					N	N	N	N							
17B	CI Infrastructure Development					N	N	N	N					N		
17C	CI Building Acq., Construction, Rehabilitation					N	N	N	N		N					
17D	Other Commercial/Industrial Improvements					N	N	N	N		N					
18A	ED Assistance to For-Profits				N	N	N	N	N		N			N		
18B	Economic Development: Technical Assistance				N	N	N	N	N		N			N		
18C	Micro-Enterprise Assist.					N	N	N	N		N			N		
19C	Nonprofit Capacity Building															
19E	Operation and Repair of Foreclosed Property		N	N	N	N	N			N	N	N	N	N	N	N
19F	Planned Repayments of Sec.108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
19G	Unplanned Repayments of Sec.108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
19H	State CDBG Technical Assistance to Grantees	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
20	Planning	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
20A	State Planning-only 570.483(b)(5) and (c)(3)															N
21A	General Program Admin. - 570.206	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21B	Indirect Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21C	Public Information	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21D	Fair Housing Activity (subject to Admin. cap)	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21E	Submissions or Applications for Federal Programs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21H	CDBG Funding of HOME Admin.	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21I	CDBG Funding of HOME CHDO Operating Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21J	State Administration Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
23	Tornado Shelters - Private Mobile Home Parks		N	N	N	N	N	N	N	N	N	N	N	N	N	N
24A	Payment of Interest on Section 108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
24b	Payment of Costs of Section 108 Financing															
24C	Debt Service Reserve	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
National Objective Key										Entitlements			States			
LMA	Low- and moderate-income (Low/Mod) Area Benefit									570.208(a)(1)			570.483(b)(1)			
LMAFI	Low/Mod Area Benefit CDFI									570.208(d)(6)(i)			570.483(e)(4)			
LMASA	Low/Mod Area Benefit NRSA									570.208(d)(5)(i)			570.483(e)(5)			
LMC	Low/Mod Limited Clientele									570.208(a)(2)			570.483(b)(2)			
LMCMC	Low/Mod Limited Clientele Microenterprise Development									570.208(a)(2)(iii)			570.483(b)(2)(iv)			
LMCSV	Low/Mod Limited Clientele, Job Service Benefit									570.208(a)(2)(iv)			570.483(b)(2)(v)			
LMH	Low/Mod Housing									570.208(a)(3)			570.483(b)(3)			
LMHSP	Low/Mod Housing, CDFI or NRSA									570.208(d)(5)(ii) & (d)(6)(ii)			570.483(e)(5)			
LMJ	Low/Mod Job Creation or Retention									570.208(a)(4)			570.483(b)(4)			
LMJFI	Low/Mod Job Creation/Retention, Public Facility/Improvement									570.208(a)(4)(vi)(F)			570.483(b)(4)(vi)(F)			
LMJP	Low/Mod Job Creation or Retention, Location Based									570.208(a)(4)(iv)(B)			570.483(b)(4)(iv)(B)			
SBA	Slum and Blight Area									570.208(b)(1)			570.483(c)(1)			
SBS	Slum and Blight Spot									570.208(b)(2)			570.483(c)(2)			
SBR	Slum and Blight Urban Renewal/Planning Activities (States)									570.208(b)(3)			570.483(c)(3)			
URG	Urgent Needs									570.208(c)						

Community Development Block Grant Final Guidelines



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Article I. General

§ 100. General

- (a) The Federal Omnibus Budget Reconciliation Act of 1981 provides for state administration of the federal Small Cities Community Development Block Grant (CDBG) program. Pursuant to Health and Safety Code (H.S.C.), Section 50826.1, these guidelines, the Consolidated Plan, and Annual Action Plan, set forth the policies and procedures governing the state's management and use of these funds. In addition to these guidelines, program participants must comply with federal regulations contained in Title 24 of the Code of Federal Regulations (C.F.R.) Part 570, Subpart I; 24 C.F.R. Part 58; and 2 C.F.R. Part 200. If Congress or the State Legislature add or amend any requirements concerning the use or management of these funds, grantees shall comply with such requirements upon receipt of notice from the California Department of Housing and Community Development (Department) of the additional requirements. See 24 C.F.R. Section 570.480 for additional general provisions.
- (b) These guidelines are intended to be updated as necessary to address changes in state and federal statutes and federal regulations regarding the CDBG program.

§ 101. Primary Objectives

- (a) The primary objectives of this program are to develop viable communities by the provision of decent affordable housing and a suitable living environment, and to expand economic opportunities, principally for the benefit of low- and moderate-income persons (individuals, families, and households).
- (b) Pursuant to Section 104(a)(1) of the Housing and Community Development Act of 1974, as amended, the Department shall annually prepare a statement of community development objectives and projected uses of funds. This annual statement shall be made available to the public and the Department shall conduct no less than two public hearings at different locations on its contents. The statement shall be available for review for at least 30 days prior to the public hearings.

§ 102. Definitions

- (a) "Act" means Title I of the Housing and Community Development Act of 1974, Title 42 United States Code (U.S.C.) Section 5301, *et seq.*, as amended.
- (b) "Activity" means any single eligible undertaking carried out as part of an applicant's participation in the state CDBG program.

- (c) “Annual Action Plan” or “AAP” means the annual plan required by the Act that describes the actions, activities, and resources to be used each year to address the priority needs and specific goals identified by the Consolidated Plan, including the method of distribution of program funds.
- (d) “Applicant” means any eligible city or county that applies for funds pursuant to this subchapter as set forth in Section 202 of these guidelines.
- (e) “Area Median Income” means the median family income for specific geographic areas, adjusted for household size, as calculated by U.S. Department of Housing and Urban Development (HUD), and published annually by the Department.
- (f) “Award Letter” means the letter sent from the Department indicating that the application has been conditionally approved for funding.
- (g) “Beneficiary” means the person, household, or neighborhood that directly benefits from the grant funded activity.
- (h) “CDBG” means the Community Development Block Grant program as created by the Act.
- (i) “C.F.R.” is the acronym used for the Code of Federal Regulations.
- (j) “City” means any unit of general local government which is classified as a municipality by the U.S. Bureau of the Census, or any other unit of general local government which is a town or township, and which possesses powers and performs functions comparable to these associated with municipalities as defined in 42 U.S.C. 5302(a)(5).
- (k) “Colonia” means a rural community within the United States-Mexico border region that lacks adequate water, sewer, or decent housing, or a combination of all three, as defined by Section 916 of the National Affordable Housing Act of 1990.
- (l) “Community Development” means all activities, other than Economic Development activities, eligible under 42 U.S.C. 5305 and 24 C.F.R. 570.482.
- (m) “Community Development Block Grant Funds,” “CDBG Funds,” “Grant Funds,” or “Program Funds,” means any funds allocated by a Standard Agreement pursuant to these guidelines, or previously funded to nonentitlement jurisdictions by HUD pursuant to their authority under the Act and includes program income receipts and program income receipts dedicated to revolving loan funds.
- (n) “Competitive NOFA” means the process in the Notice of Funding Availability (NOFA) in which applications must be received by a fixed deadline, and applications are rated and ranked competitively.

- (o) “Consolidated Plan” means the five-year strategic plan that results from the process set by HUD that assesses affordable housing and community development needs and market conditions, allows the prioritization of development needs, and makes data-driven, place-based investment decisions for federal funding provided by HUD.
- (p) “Department” means the California Department of Housing and Community Development.
- (q) “Director” means the Director or acting Director of the Department.
- (r) “Disability” means any disability, including mental or physical disability, that limits a major life activity, including a disability that falls within the definitions in Government Code (G.C.) Sections 11135, 12926, and 12926.1 or within the definition of disability used in the federal Americans with Disabilities Act of 1990, codified at 42 U.S.C. 12102.
- (s) “Economic Development Allocation” means the funds set aside each year for Economic Development pursuant to H.S.C. Section 50827 and Section 200(c) of these guidelines.
- (t) “Economic Development,” and “ED”, for these guidelines, means providing grants to non-entitlement jurisdictions to conduct CDBG-eligible Economic Development activities as defined in 42 U.S.C. 5305.
- (u) “Entitlement Jurisdictions” are those cities and counties that receive CDBG program funding directly from HUD.
- (v) “Federal Regulations” means the federal regulations governing the state administration of the CDBG non-entitlement funds set forth in the C.F.R.
- (w) “Funding” means financial assistance provided in whole or in part for any eligible activity.
- (x) “Funding Cycle” means the annual period during which HUD makes funds available to the state for distribution to local governments pursuant to the Act and includes the period during which the Department solicits applications and makes grant awards.
- (y) “Grantee” means a unit of general local government which has been awarded funds pursuant to this subchapter to carry out a program (directly or through the services of contractors or nonprofits) and has signed a Standard Agreement.
- (z) “Grant Management Manual” means the grant implementation instruction document(s) intended to help grantees manage and operate their CDBG grant(s) and activity(s).

- (aa) "H.S.C." means the California Health and Safety Code.(bb) "Household" means all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit.
- (bb) A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, such as partners or roomers, is also counted as a household as defined by HUD. The occupants may be a family, as defined in 24 C.F.R. 5.403.
- (cc) "Housing Element" means the part of a city or county's General Plan as required by G.C. Title 7, Division 1, Chapter 3, Article 10.6 (commencing with Section 65580).
- (dd) "HUD" means the U.S. Department of Housing and Urban Development.
- (ee) "Infrastructure" means the physical systems, such as roads, sidewalks, streetlights, water, and sewer facilities, which are necessary to provide basic community services.
- (ff) "Local Assistance" means the net amount of the HUD allocation less administrative funds retained by the Department.
- (gg) "Low-income" persons means individuals, families, and households whose incomes are no more than 50 percent of the median income of the area involved, as set by HUD.
- (hh) "Moderate-income" persons means individuals, families, and households whose incomes are no less than 50 percent and no more than 80 percent of the median income of the area involved, as set by HUD.
- (ii) "NOFA" is the acronym used for Notice of Funding Availability. The NOFA is the document used by the Department to announce that CDBG funds are available, lists eligible applicants and activities, the parameters for applications to be submitted, and the specific criteria and schedules for how funds will be awarded according to specified criteria and schedules.
- (jj) "Over-the-Counter," also referred to as "OTC," means the process in a NOFA of applying for funds for specific businesses, infrastructure in support of businesses, multifamily housing rehabilitation, and public facilities or improvement projects, including those in support of housing, that does not use a competitive rating and ranking process to determine awards. In the OTC process, the Department continuously accepts and evaluates applications until funds are exhausted.
- (kk) "PIRA" means the Program Income Reuse Agreement.
- (ll) "Program" means all the state CDBG activities funded in whole or in part under these guidelines.

- (mm) “Program Income” or “PI” means gross income earned by the grantee from grant- and/or program income-funded activities as defined in 24 C.F.R. 570.489(e).
- (nn) “Revolving Loan Funds” or “RLF” means CDBG PI funds that are held in a separate account to carry out CDBG-eligible activities and provided as loans to complete specific CDBG-eligible housing and Economic Development activities. Repaid loans are returned to the RLF for future activities.
- (oo) “Standard Agreement” means the contractual arrangement between the state and the grantee which sets forth the terms and conditions by which state CDBG funds are utilized.
- (pp) “Subrecipient” means a non-federal entity that receives a subaward of program funding from a grantee; “subrecipient” does not mean a beneficiary of the program.
- (qq) “Timely distribution” means obligating funds received by the state as specified in 24 C.F.R. 570.494.
- (rr) “U.S.C.” means United States Code.

§ 103. Program and Administrative Requirements

All Department program administrators, applicants, and grantees must adhere to all federal program statutes, regulations, federal register notices, HUD guidance notices and policy memoranda, Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards, the Federal Uniform Relocation Assistance and Real Property Acquisition Act, California Relocation Assistance Law, and all state and federal nondiscrimination and fair housing requirements. Additionally, Department program administrators, applicants, and grantees must adhere to all California State Administrative Manual requirements, regulations, statutes, award letters, Standard Agreements, and these guidelines; and all state and federal requirements to affirmatively further fair housing, including compliance with G.C. Title 2, Division 1, Chapter 15, beginning with Section 8899.5 and G.C. Title 7, Division 1, Chapter 3, beginning with Section 65583.

§ 104. Nondiscrimination

No person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes, be excluded from participation in, be denied the benefits Department of Housing and Community Development 7 2019 CDBG Final Guidelines Amended March 2022

of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG funds made available pursuant to these guidelines.

All grantees shall comply with the requirements contained in 24 C.F.R. 570.487, 570.601, 570.602, 570.607, and 570.614; as well as the Americans with Disabilities Act, the Fair Housing Amendments Act, the California Fair Employment and Housing Act, the Unruh Act, G.C. Section 11135, Section 504 of the Rehabilitation Act, and regulations promulgated pursuant to those statutes, including 24 C.F.R. 100, 24 C.F.R. 8, and 28 C.F.R. 35, in all of the grantee's activities.

Article 2. Method of Distribution

§ 200. Allocations

- (a) At least 70 percent of all CDBG funds must be used for activities that benefit low- and moderate-income individuals, families, and households pursuant to 24 C.F.R. 570.484.
- (b) At least 51 percent of all CDBG funding available, less the Department administrative funds, shall be made available for activities providing housing for low- and moderate-income individuals, families, and households pursuant to H.S.C. 50828, providing or improving housing opportunities for individuals, families, and households of low- or moderate-income, or for purposes directly related to the provision or improvement of housing opportunities for individuals, families, and households of low- or moderate-income, including, but not limited to, the construction of infrastructure.
- (c) The Department shall set aside an amount equal to 30 percent of the total amount available, less Department administrative funds, for grants to eligible cities and counties for ED activities pursuant to H.S.C. 50827. Applications submitted under this section must comply with all the requirements of these guidelines. ED Allocation funds shall be awarded through a NOFA process for eligible activities listed in 24 C.F.R. 570.482 and in Section 105(a) of the Act.
- (d) Awards made for public services may not exceed 15 percent of the total amount of CDBG funds available pursuant to 42 U.S.C. 5305 (a)(8).

The total amount of CDBG funds expended statewide for public service activities must not exceed 15 percent of the state's total annual CDBG program expenditures.

- (e) Awards for local administration and all planning grants may not exceed 17 percent of the total amount of CDBG funds available. The total amount of CDBG funds expended statewide for all Department and local administration expenses and planning activities may not exceed 20 percent of the aggregate amount of the Department's annual HUD CDBG grant, plus program income received pursuant to 24 C.F.R. 570.489(a)(3)(ii).

- (f) Pursuant to Section 916 of the National Affordable Housing Act of 1990, up to 10 percent of the total amount of CDBG Local Assistance made available shall be for Colonia activities. Funding maximums from the Colonia set-aside shall be as set forth in the NOFA. An application for this set-aside may be in addition to another application submitted by an eligible city or county pursuant to Section 202 of these guidelines. Applications submitted under this subsection will be independently evaluated without regard to the rating of an application submitted pursuant to another section of these guidelines.
- (g) Pursuant to H.S.C. 50831, 1.25 percent of the total amount of CDBG Local Assistance available shall be for Native American activities for non-federally recognized tribes. An application for this set-aside may be in addition to another application submitted by an eligible city or county pursuant to Section 202 of these guidelines. Applications submitted under this section will be independently evaluated without regard to the rating of an application submitted pursuant to another section of these guidelines.
- (h) Notwithstanding any other provision of these guidelines, the Director may alter the order by which applications received Over-the-Counter are reviewed for applicants requesting funds for an immediate need, such as an imminent plant closure, a failing water system, or an emergency recognized by the state. The Director's decision to alter the order by which an application is reviewed will be in writing and made part of the application file.
- (i) If there is insufficient demand for an identified set-aside, the Department may make awards to other qualifying activities to meet federal timely distribution of funds requirements.

§ 201. Eligible Activities

- (a) Eligible Activities: Activities eligible for funding under the CDBG program are those described in 24 C.F.R. 570.482 and in Section 105(a) of the Act (42 U.S.C. 5305).
- (b) Each activity must meet the benefit requirements of 24 C.F.R. 570.483.
- (c) All activities, except program administration, must meet the overall benefit requirements of 24 C.F.R. 570.484.
- (d) No activity or portion of a program assisted by these funds may exclude from its benefits the lowest income groups. Individual activities shall meet one of the following three national objectives:
 - (1) The development of viable communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for individuals, families, and households of low and moderate income;

- (2) Aiding in the prevention or elimination of slums or blight pursuant to 24 C.F.R. 570.483(c) and H.S.C. 33031; or
 - (3) Meeting other community development needs having an urgency pursuant to 24 C.F.R. 570.483(d).
- (e) All housing activities must comply with the terms and conditions required by state and federal law, including the Americans with Disabilities Act, the Fair Housing Amendment Act, the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*), the California Fair Employment and Housing Act, the Unruh Act, G.C. Section 11135, the California Building Standards Code Chapter 11B, Section 504 of the Rehabilitation Act, and the regulations promulgated pursuant to those statutes, including 24 C.F.R. 100, 24 C.F.R. 8, and 28 C.F.R. 35.
 - (f) All public facility construction and rehabilitation activities must meet the accessibility requirements in 2 C.F.R. 8.21.

§ 202. Eligible Applicants

- (a) The applicant shall have met the following requirements when the application is submitted:
 - (1) Any city or county is eligible to apply for CDBG program funding except a city or county which participates in the HUD-administered CDBG Entitlement Program. Incorporated cities located in an urban county as defined by 42 U.S.C. 5302(a)(6) must formally elect to be excluded from participation in the urban county entitlement status. HUD must be notified that the city has elected to be excluded from the urban county participation as per 24 C.F.R. 570.307(g) for the city to be eligible for the state CDBG program.
 - (2) Any applicant with one or more current and open CDBG Standard Agreements for which the expenditure deadline established in the agreement(s) has not yet passed shall be ineligible to apply for any additional CDBG funds for the same type of activity(s) included in those open CDBG Standard Agreement(s) unless the applicant has expended at least 50 percent of CDBG funds previously awarded (the "50 Percent Rule") for that activity, or unless a waiver to the rule has been approved by the Director. The requirements of this subsection do not apply to OTC awards. State CDBG funds that have been repurposed in response to a disaster will be subject to the 50 Percent Rule unless a waiver is issued as part of the NOFA. Exceptions will be reviewed on a case by case basis and waivers will be published in the NOFA as applicable.
 - (3) The applicant must demonstrate to the satisfaction of the Department that it is in compliance with the single audit requirements of 2 C.F.R. 200.501.

- (4) The applicant must be in good standing with the State of California, as defined in the NOFA.
- (b) Applications may be submitted by individual eligible applicants or by groups of eligible applicants in any of the forms specified in this subsection. Except as provided in subsection (c) below, no eligible applicant may be included in more than one application that provides direct program benefits to that political subdivision. Applications for eligible activities outside the applicant's jurisdiction must include a legally binding agreement, acceptable to HCD, with the city or county in which the eligible activity is located.
 - (1) An eligible applicant may apply on its own behalf.
 - (2) An eligible applicant may apply on its own behalf and in the same application on behalf of one or more other eligible applicants.
 - (3) Two or more eligible applicants which share a program may submit a joint application.
- (c) In addition to activity and application limits identified in the NOFA, an eligible applicant may apply for activities in target areas within or outside of the applicant's jurisdiction when there are concentrations of Native Americans or where there is a designated Colonia as described in Section 200 of these guidelines, provided the concentration is within an eligible city or county.
- (d) The applicant shall have met the following requirements at the time of award:
 - (1) By the time of award of funding, the applicant must have complied with all the Housing Element requirements listed in H.S.C. 50829 and 50830.

§ 203. Funding Availability

- (a) Within a funding cycle, the Department may issue one or more NOFAs.
- (b) The Department will notify all eligible cities and counties of the anticipated level of funding for the program and will provide them with a schedule for filing applications as indicated in the AAP.
- (c) The NOFA will specify, among other things, the amount of funds available, eligible activities, the time frame for submittal of applications, the application requirements pursuant to Section 205 of these guidelines, the allocation of rating points pursuant to the AAP, the matching contribution requirements pursuant to Section 207, any prohibitions of use of funds, the availability of administrative funds, and the general terms and conditions of funding allocations. Applications must be received by the closing date and time in order to be considered.

- (d) In order to comply with any set-aside or special allocation established by HUD or the Department, the Department may do one or more of the following:
 - (1) Issue a special NOFA;
 - (2) Specify in each NOFA the reservation of a portion of the funds for various set-asides or special allocations; and
 - (3) Specify in each NOFA any waivers to requirements granted by HUD or the Department in connection with the funds.

§ 204. Special Disaster or Emergency Supplemental Assistance NOFAs

- (a) Notwithstanding any provision in these guidelines to the contrary, in the event of a special appropriation of emergency supplemental assistance or a presidential declaration of disaster, or the Governor proclaims either a “state of emergency” or a “local emergency”, as those terms are defined in G.C. Section 8558, the Department may issue a special NOFA. The special NOFA will make CDBG program funds available to eligible state applicants located in the areas covered by the federal or state disaster or emergency proclamation pursuant to the following special conditions:
 - (1) The project or activity shall be designed to alleviate or mitigate existing conditions that pose a serious actual, or impending, threat to the health or welfare of the community;
 - (2) The Department will review eligibility documentation for each proposed activity and its associated national objective and ensure there is no duplication of eligible costs; and
- (b) The proposed project or activity shall be otherwise eligible for funding under these guidelines or be eligible pursuant to other HUD eligibility criteria. In order to address the most serious emergent health, safety, and general welfare needs, the Director may direct funding awards to a designated project(s) or activity type(s) or area(s). These measures may include, but are not limited to:
 - (1) Limiting a NOFA to a designated type of project, activity, or geographic area related to the federal or state disaster or emergency proclamation;
 - (2) Awarding bonus points within a NOFA to a designated type of project, activity, or geographic area;
 - (3) Reserving a portion of funds in a NOFA for a designated type of project, activity, or geographic area;

- (4) Establishing maximum award amounts per applicant, type of project, or type of activity; and
 - (5) Making funds available through an OTC process, meaning the Department continuously accepts and evaluates applications until funds are exhausted.
- (c) To the extent necessary to address serious emergent health, safety, and general welfare needs, and to expedite the process of making awards, the Director may alter or waive state-required criteria set forth in the NOFA. H.S.C. Section 50833.1(b) allows for the waiver of H.S.C. Sections 50831, 50832, and 50833. Federal requirements cannot be waived without express written authority from HUD.

§ 205. Contents of the Application

Applications must be submitted on prescribed forms and consist of the items identified in the NOFA, and any other information deemed necessary by the Department, to evaluate the application. This information provides the basis for the assessment identified in the NOFA and includes the assurances and agreements necessary for compliance with these guidelines, H.S.C. 50825, *et seq.*, 24 C.F.R. 570, and 2 C.F.R. Part 200.

§ 206. Evaluation Criteria

- (a) For those eligible applications received in a competitive NOFA process, individual activity types will be evaluated according to criteria identified in the AAP and NOFA. Where demand for a particular activity exceeds the amount of funds available, the applications for that activity will be rated and ranked according to the rating criteria set forth in the AAP, NOFA, and application. Activities will be funded in rank order, with the highest rated activities within each activity type funded first until all funds allocated for that activity, pursuant to Section 200 of these guidelines, have been awarded.
- (b) For those eligible applications received in an OTC NOFA process, individual projects will be evaluated for funding on a first-come, first-served basis as set out in the AAP and NOFA, unless the order of review is changed pursuant to subsection 200(h) of these guidelines.
- (c) Tiebreaker criteria and methodology will be specified in the AAP and NOFA.
- (d) Applications for each eligible activity shall be evaluated on the criteria identified in the NOFA.

§ 207. Award of Funds

- (a) Pursuant to H.S.C. 50828 and Section 203 of these guidelines, funds will be awarded based on the actual application demand expressed as a dollar amount requested in response to the initial NOFA of a funding cycle.
- (b) In the event the amount of funds available is insufficient to fund an applicant's whole activity, the applicant may be offered the amount of funds available, provided:
 - (1) There are additional other funds to complete the activity, or
 - (2) The activity is reduced enough in scope to be completed using the funds available.
- (c) The Department may condition its award of funds to achieve the purposes of these guidelines and to ensure compliance with applicable state and federal law, including commitment and expenditure deadlines, and milestones.
- (d) For planning activities, the required cash match amount may be up to 25 percent of the amount of the planning grant requested in the application. The amount of the required cash match will be identified in the NOFA. Technical assistance activities do not require a cash match.

§ 208. Administrative Cost Limitation

Grantees may expend a portion of the grant amount for administrative costs as specified in the NOFA and Standard Agreement, provided that such amounts are justified for the type and complexity of the program, and that there are records to satisfactorily document these charges. Administrative costs may include, but are not limited to, the following categories:

- (a) General administrative activities. Such costs for administration include:
 - (1) Salaries, wages, and related costs of the grantee's staff engaged in activities associated with the CDBG program, including general management, general legal services, accounting, and auditing.
 - (2) Travel costs incurred in carrying out the general management of the program.
 - (3) Administrative services performed under third-party contracts, including contracts for such services as general legal services, accounting services, and audit services; and

- (4) Other costs for goods and services related to the general management of the program, including rental and maintenance of office space, insurance, utilities, office supplies, and rental or purchase of office equipment.
- (b) Costs incurred in providing information and resources to individuals, families, and households in the low- and moderate-income group; and to citizen organizations participating in the planning, implementation, or assessment of the grantee's program.
- (c) Fair housing activities in compliance with the requirements of Section 103 of these guidelines. If a cost cannot be associated with one of the above listed groups and cannot be associated with direct project costs, the Department will, upon the grantee's request, decide of whether it is an administrative cost, an activity delivery cost, or an ineligible cost according to the process contained in the Grant Management Manual. The use of PI for administrative costs will be included in the PIRA.

§ 209. Activity and Activity Delivery Costs

- (a) Activity costs are those costs directly related to a specific project, such as materials and labor for the construction of a public facility, or the amount of financial assistance provided as down-payment assistance.
- (b) Activity delivery costs directly related to a specific activity are not part of the general administrative costs. For example, the legal costs relating to property acquisition are activity delivery costs, not general administration.
- (c) If a cost cannot be associated with direct project costs, the Department will, upon the grantee's request, make a determination of whether it is an administrative cost, an activity delivery cost, or an ineligible cost according to the process contained in the Grant Management Manual.

§ 210. Reimbursement of Pre-Agreement Costs

Pre-agreement costs are those costs associated with a specific project that are incurred prior to an award of program funds (grant, PI, or RLF), provided that the costs are eligible, and the activities were undertaken in accordance with the requirements of 24 C.F.R. 570.489(b), 24 C.F.R. 58.34, and 2 C.F.R. 200.458. The Department will announce the details for pre-agreement costs (those costs incurred prior to award of CDBG grant or PI funds) in each NOFA.

Jurisdictions that have been awarded grant funds or have been approved for the use of PI or RLF funds for projects that include pre-agreement costs will be reimbursed for those costs after the execution of a Standard Agreement or PIRA, and the Department has issued a clearance of any conditions listed in a Standard Agreement or PIRA. A pre-agreement cost contract may be required by the Department for any pre-agreement costs.

§ 211. Special Grant Amendments for Disasters or Emergencies

- (a) A grantee may make a written request to the Department to amend or replace a project or activity set forth in an active Standard Agreement with a project or activity which would alleviate or mitigate existing conditions which pose a serious actual or impending threat to the health or welfare of the community.
- (b) Notwithstanding any other provision of these guidelines, the Department may approve such a request, and amend the Standard Agreement accordingly, if the Department makes the following findings in writing:
 - (1) The grantee is in an area for which a presidential declaration of disaster has been made, or the Governor has proclaimed either a “state of emergency” or a “local emergency” as those terms are defined in Government Code Section 8558; and
 - (2) The amended or replacement project or activity is designed to alleviate or mitigate existing conditions which pose a serious actual or impending threat to the health or welfare of the community; and
 - (3) The amendments have necessary eligibility documentation for each activity and its associated national objective and there is no duplication of eligible costs; and
 - (4) The amended or replacement project or activity is otherwise eligible for funding under these guidelines.
- (c) Any activities funded under this Section must be considered in the calculation of the 70 percent benefit test pursuant to 24 C.F.R. 470.484.

§ 212. Section 108 Loan Guarantee Pledges

Any commitment of future federal allocations of CDBG funds to the state (state pledges) by the Department as collateral for federal guarantees of notes or other obligations issued by eligible cities and counties (loan guarantees) pursuant to Section 108 of the Act (42 U.S.C. Sec. 5308) and 24 C.F.R. Subchapter C, Part 570, Subpart M commencing with Section 570.700 (collectively, “Section 108”) shall be as specified in the AAP and the NOFA.

Article 3. Grant Administration

§ 300. Standard Agreements

- (a) An applicant that receives an award letter will be issued a Standard Agreement pursuant to 24 C.F.R. 570.503 to be executed by both the local authorized representative and the Department.

- (b) The Standard Agreement will obligate monies from the CDBG allocation in an amount approved for funding by the Department pursuant to Section 207 of these guidelines.
- (c) The Standard Agreement will include all items required in 24 C.F.R. 570, Subpart I, 2 C.F.R. Part 200, Appendix II, and all applicable sections in Articles 1 and 3 of these guidelines.

§ 301. Cash Depositories

Grantees must establish and maintain all CDBG funds accounts in accordance with 24 C.F.R. 570.489(d)(2)(iii) and 2 C.F.R. Part 200.

§ 302. Bonding

Grantees shall comply with all bonding requirements described in 2 C.F.R. 200.325.

§ 303. Retention and Custodial Requirements for Records

The grantee must retain financial records, supporting documents, statistical records, and all other records pertinent to a grant in accordance with 24 C.F.R. 570.490 and 2 C.F.R. 200.333. See the Grant Management Manual for additional information.

§ 304. Program Income

The use of PI must comply with all federal requirements pursuant to 24 C.F.R. 570.489(e) and (f), 24 C.F.R. 570.504, and the applicable sections of 2 C.F.R. Part 200.

- (a) Each grantee will be required to execute a PIRA. This includes any grantees that have PI on hand (including PI in an RLF), have undertaken activities that could generate PI, or that anticipate receiving PI, including grantees with an open Standard Agreement.
- (b) PI includes any and all income received in a single year by a grantee and its subrecipients when the total receipts exceed \$35,000. Grantees must notify the Department on the first PI report for the 12-month reporting period if they anticipate receiving less than \$35,000 in the current fiscal year. All PI and RLF funds received must be identified and maintained in a separate fund and must have a set of accounts that are independent of all other program accounts.
- (c) All grantees that have used CDBG funds since 1983, excluding those notified by the Department of a reporting exception and including those that have no activity, must submit PI reports according to the terms of the PIRA. The reporting period is July 1 through June 30, which is the state fiscal year.

- (d) As part of the PIRA approval process, the Department must review and evaluate each grantee's capacity to carry out the PI activities (programs and projects) contained in the PIRA.
- (e) PI may only be used for eligible CDBG projects or programs that comply with federal requirements. PI must be expended on at least one completed eligible project or program with reportable beneficiaries within a period identified in the PIRA.
- (f) Any grantee with PI on hand or anticipates having PI on hand that does not have a PIRA in place and does not have an open Standard Agreement with a commitment to expend the PI funds on an activity identified in the Standard Agreement will be required to remit all PI (the amount on hand and any future receipts) to the Department.
- (g) Any grantee with PI on hand that does not have an ongoing PI program and has an open Standard Agreement must expend available PI on hand prior to requesting grant funds.

For additional information, refer to the PIRA, the Standard Agreement and the Grant Management Manual.

§ 305. Standards for Grantee Financial Management Systems

Grantees must establish and maintain their financial management systems for CDBG Grants in accordance with 2 C.F.R. Part 200, Subpart D; any conditions in the Standard Agreement; and as specified in the Grant Management Manual.

§ 306. Financial and Performance Reporting Requirements

Grantees must report at least annually on financial matters and program performance as required by 2 C.F.R. 200.328. The Standard Agreement, the PIRA, and the Grant Management Manual may require additional reporting.

§ 307. Monitoring of Program Performance, Real Property, and Subrecipient Activities

Grantees must monitor the performance of CDBG Grant supported activities on an ongoing basis, according to the monitoring terms of the Standard Agreement, to assure that time schedules and expenditures are being met and the milestones in the work schedule are being accomplished. This review must be made for each subrecipient and each activity in the approved Standard Agreement and/or PIRA, pursuant to 24 C.F.R. 570.489 and 570.489(m), 2 C.F.R. 200.331 through 200.329, and as specified in the Grant Management Manual.

§ 308. Grant Payment Requirements

- (a) Payment methods shall minimize the time elapsing between the disbursement by a grantee and the transfer of funds from the Department to the grantee pursuant to 24 C.F.R. 570.489(c) and as specified in the Grant Management Manual.
- (b) The Department shall not withhold payments for allowable charges made by grantees at any time during the grant period unless:
 - (1) a grantee has failed to comply with the Standard Agreement, or
 - (2) the grantee is indebted to the Department and collection of the indebtedness will not impair accomplishment of the objectives of any grant program sponsored by the Department.
- (c) In the event that payments are to be withheld in accord with the criteria established in Section 308(b) above, the Department may, upon 15 days' notice, inform the grantee that payments will not be made for obligations incurred after a specified date until the noncompliance is resolved or the indebtedness to the state is liquidated.

§ 309. Lump Sum Drawdown for Property Rehabilitation Financing

Subject to the conditions prescribed in this Section, grantees may draw funds from the Department in a single lump sum to establish a rehabilitation fund in one or more private financial institutions for the purpose of financing the rehabilitation of privately-owned properties as a part of the grantee's program. The conditions prescribed for lump sum drawdown accounts are described in 24 C.F.R. 570.480(c) and 2 C.F.R. 200.305.

§ 310. Revision Procedures

The grantee may not amend the program or activity in a manner which is inconsistent with the original basis for the award without the Department's written approval of the change. In addition, grantees shall request prior written approval from the Department when a program or budget revision of an amount greater than 10 percent will be necessary pursuant to the Standard Agreement and/or PIRA, as specified in the AAP, the NOFA, and the Grant Management Manual.

§ 311. Closeout Procedures

- (a) All grant, PI, and RLF activities are subject to closeout procedures.
- (b) The following definitions shall apply for the purpose of this Section.
 - (1) "Closeout" is the process by which the Department determines that all applicable administrative actions and all required work of the Standard Department of Housing and Community Development 19 2019 CDBG Final Guidelines Amended March 2022

Agreement and/or PIRA have been completed by the grantee and the Department, as specified in 24 C.F.R. 570.490(o) and 2 C.F.R. 200.343.

- (2) "Date of completion" for an activity is the date when all work as described in the Standard Agreement or PIRA, or any amendment thereto, has been completed, and the appropriate expenditure, beneficiary, and national objective data has been reported to and accepted by the Department.
 - (3) "Termination of a grant" means the cancellation of funding and/or the termination of the request for funding, in whole or in part, at any time prior to the date of completion.
 - (4) "Suspension of a grant" is an action by the Department which temporarily suspends funding under the grant pending either corrective action by the grantee or a decision by the Department to terminate the grant.
 - (5) "Disallowed costs" are those charges to a grant which the Department determines to be unallowable as per eligible costs identified in the Standard Agreement and according to the cost principles of 2 C.F.R. 200 Subpart E.
- (c) The grant closeout procedures include the following:
- (1) Upon request, the Department shall make payments to a grantee for allowable reimbursable costs under the grant being closed out, subject to the Standard Agreement.
 - (2) The grantee shall refund to the Department any balance of unobligated cash advanced to the grantee that is not authorized to be retained by the grantee.
 - (3) Within 90 days after the date of completion of the grant the grantee shall provide the Department with all financial, performance, and other reports required as a condition of the grant. The Department may grant time extensions for cause when requested by the grantee.
 - (4) When authorized by the Standard Agreement, the Department may make a settlement for any upward or downward adjustments to the state's share of costs after the reports are received.
 - (5) The grantee shall account for any property acquired in whole or in part with grant funds, PI, or RLF in accordance with the provisions of Section 312, pertaining to property management, and Section 304, pertaining to program income.
 - (6) In the event a final audit has not been performed prior to the closeout of the grant, the Department shall retain the right to recover the amount of disallowed costs after fully considering the recommendations of the final audit.

- (d) PI projects, including those implemented in PI or RLF activity programs, will be closed individually. The PI project closeout procedure is described in the PIRA.
- (e) When a grantee fails to comply with the Standard Agreement or PIRA, the Department may, after notifying the grantee in writing, suspend the grant and/or PIRA and withhold further payments, or prohibit the grantee from incurring additional obligations of grant, PI, or RLF funds, pending corrective action by the grantee or a decision to terminate in accordance with subdivision (f). The Department shall allow costs which the grantee could not avoid during the period of suspension, provided that the costs meet the provisions of 2 C.F.R. Part 200.
- (f) Grants may be terminated as follows:
 - (1) Termination for cause. The Department may unilaterally terminate any grant, in whole or in part, at any time before the date of completion, whenever the Department determines that the grantee has failed to comply with the terms or conditions of the Standard Agreement or PIRA executed in connection therewith. The Department shall promptly notify the grantee in writing of the determination, the reasons for the termination, and the effective date.
 - (2) Termination for convenience. The Department or the grantee may terminate a grant, in whole or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions and the portion of the grant to be terminated. The grantee shall not incur new obligations for the terminated portion after the effective date of the termination and shall cancel as many outstanding obligations as possible.
- (g) For additional information and closeout procedures, see the Grant Management Manual.

§ 312. Property Management Standards

- (a) Grantees must adhere to the property management standards described in 2 C.F.R. 200.310 to 200.316 and 24 C.F.R. 570.489(j).
- (b) Program assets are those properties (real, personal, and intangible) acquired or improved with CDBG Funds (in whole or in part). Program assets also include promissory notes and deeds of trust for properties assisted with CDBG funds.
- (c) Grantees may not change the use or planned use of any real property within the grantee's control (including activities undertaken by subrecipients) that was acquired and/or improved with CDBG funds for five years after closeout of the unit of general local government's grant pursuant to 24 C.F.R. 570.489(j). Grantees must have a method to enforce and manage this requirement, such as a recorded use restriction or covenant. Activity and Activity Delivery funds

associated with any assets liquidated prior to the five-year period must be repaid to the Department pursuant to 24 C.F.R. 570.489(j)(2).

§ 313. Procurement Standards

Grantees must adhere to the requirements of 2 C.F.R. 200.318 to 200.326. See the Grant Management Manual for additional information.

§ 314. Audit Requirements

Grantees must arrange for independent audits on all CDBG grants consistent with 2 C.F.R. 200.500 to 200.512.

§ 315. Conflicts of Interest

Grantees must enforce standards for conflicts of interest which govern the performance of their officers, employees, or agents engaged in the award and administration of state CDBG funds. The standards for conflicts of interest shall prohibit any conflict of interest as defined in 24 C.F.R. 570.611, which is hereby incorporated by reference. The Department will use the criteria and standards set forth in 24 C.F.R. 570.611 and any applicable California conflicts of interest rules in evaluating questions concerning potential conflicts of interest.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
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August 12, 2022

MEMORANDUM FOR: All Potential Applicants

FROM: Alicia Sebastian, Acting Deputy Director
Division of Federal Financial Assistance

SUBJECT: **2022 Community Development Block Grant Program
Notice of Funding Availability – Amendment #2**

The California Department of Housing and Community Development (Department) is pleased to announce the release of an amendment to the Notice of Funding Availability (NOFA) previously released on April 19, 2022 and amended on June 17, 2022 (the "First Amended NOFA"), for approximately \$30 million in federal funds for the 2022 Community Development Block Grant (CDBG) program. The Department also released an amendment to the State of California Final CDBG Program Guidelines to change the requirement for housing element compliance from the time of application to the time of award of funding. Funding for this NOFA is available to the state from the United States Department of Housing and Urban Development (HUD), pursuant to the Housing Community Development Act of 1974, as amended and 24 Code of Federal Regulation (CFR) Part 570 Subpart I "State Community Development Block Grant Program". These regulations require the state to make funds available to units of general local government in the state's non-entitlement areas. Units of general local government are defined by HUD as political subdivisions of the state, which in California are towns, cities, and counties. Only non-federally recognized Tribes can receive funding through applications submitted by non-entitlement cities and counties. No direct funding from the Department can be provided to Tribes, Tribal Designated Housing Entities, or nonprofits.

In response to stakeholder feedback, the Department is amending the First Amended NOFA.

The following language in Section IV. A. 19. b. will be deleted:

~~b. The Applicant has a draft contract or subrecipient agreement with a qualified consultant or nonprofit ED group with direct experience in CDBG ED implementation. The agreement must be fully executed, and a copy provided to the Department within 30 days of receipt of the Standard Agreement. Final contracts and/or subrecipient agreements must be with the same entities as proposed in draft at the time of the application. Substitutions will invalidate the application and cancel the award.~~

The following language will be added in Section IV. A. 19. b.:

b. The Applicant has prepared a draft request for proposals or subrecipient selection process for a qualified consultant or nonprofit ED group with direct experience in implementation of the ED activity proposed in the application. The applicant has identified at least three (3) qualified consultants or nonprofit ED groups with direct experience in implementation of the ED activity proposed in the application.

A request for proposals or a subrecipient selection process must be completed within 60 days of applicant's receipt of the Standard Agreement. A copy of the executed agreement with the selected subrecipient or contractor must be provided to the Department within 120 days of execution of the Standard Agreement by HCD. These must be listed as milestones in the application.

CDBG funds are provided as grants for a wide range of activities directed toward Economic Development (ED), improvement of community facilities and infrastructure, neighborhood revitalization, and public services. All CDBG activities must meet one of the following National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums and blight; or meet certain urgent community needs.

This NOFA provides detailed information on the application process for CDBG funding. The critical priority for this funding is to ensure all eligible persons receive equitable access to services, and are served with dignity, respect, and compassion regardless of circumstance, ability, or identity, which includes marginalized populations, including but not limited to, Black, Native and Indigenous, Latinx, Asian, Pacific Islanders and other people of color, immigrants, people with criminal records, people with disabilities, people with mental health and substance abuse vulnerabilities, people with limited English proficiency, people who identify as transgender, people who identify as LGBTQ+, and other individuals that may not traditionally access mainstream support. Additionally, the Department expects eligible Applicants to plan for how this funding will reduce disparities and increase racial equity in their communities.

Applications for CDBG funding under this NOFA will be accepted via the Department’s online grant application and management system, Grants Network, supported by eCivis. Profile set-up instructions and other technical assistance can be found on the [webpage](#) under Training and Technical Assistance at [eCivis Grants Network User](#).

NOFA Deadlines

NOFA Release	April 19, 2022, Amendment #1 - June 17, 2022, Amendment #2 – August 12, 2022
Application Submittal	Start Date: April 20, 2022

Housing and Community Development Programs

Community Development Competitive Programs Applications Due	August 19, 2022, at 3:00 p.m. Pacific Daylight Time (PDT)
There will be no Multifamily Housing, Housing Infrastructure, and Community Development Project funding in this NOFA. The Department will continue to fund down the Over-the-Counter (OTC) waiting list from the 2019-2020 NOFA.	

Economic Development Projects and Programs

Economic Development Applications Due	August 19, 2022, at 3:00 p.m. PDT
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Applications in partnership with non-federally recognized Tribes

Non-Federally Recognized Tribes	August 19, 2022, at 3:00 p.m. PDT
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To receive CDBG program NOFA FAQs, emails, and other information and updates, please subscribe to the Federal Programs [listserv](#). **If you have any questions, please submit them to cdbq@hcd.ca.gov.**

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

Attachment

Community Development Block Grant Program 2022 Notice of Funding Availability



**Gavin Newsom, Governor
State of California**

**Lourdes M. Castro Ramírez, Secretary
Business, Consumer Services and Housing Agency**

**Gustavo Velasquez, Director
California Department of Housing and Community Development**

2020 W. El Camino Avenue, Suite 500, Sacramento, CA 95833
Telephone: (916) 263-2771

Website: <https://www.hcd.ca.gov/grants-funding/active-funding/cdbg.shtml>

Community Development Block Grant Program email: cdbg@hcd.ca.gov

April 19, 2022

Amended June 17, 2022

Amended August 12, 2022

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Note –	Appendices are located in eCivis in the ‘Files’ tab on the Department under each specific program solicitation

I. Overview

A. Notice of Funding Availability

The California Department of Housing and Community Development (Department) announces the availability of approximately \$30 million in funding available through the federal Small Cities Community Development Block Grant Program (CDBG) for the 2022 funding year. CDBG funds are provided as grants to Non-Entitlement Jurisdictions. The objectives of the CDBG program are to develop viable communities by the provision of decent affordable housing, a suitable living environment, and to expand economic opportunities, principally for the benefit of Low- and Moderate-Income (LMI) persons, families, households, and neighborhoods. LMI is defined as neighborhoods, families, households, and individuals whose income does not exceed 80 percent of the county median income, as adjusted by the United States Department of Housing and Urban Development (HUD) for family household size.

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

The timeline below identifies deadlines for the 2022 program year application process.

NOFA Deadlines

NOFA Release	April 19, 2022, Amendment #1 June 17, 2022, Amendment #2 August xx, 2022
Application Submittal	Start Date: April 20, 2022

Housing and Community Development Programs

Community Development Competitive Programs Applications Due	August 19, 2022, at 3:00 p.m. Pacific Daylight Time (PDT)
There will be no Multifamily Housing, Housing Infrastructure, and Community Development Project funding in this NOFA. The Department will continue to fund down the Over-the-Counter (OTC) waiting list from the 2019-2020 NOFA.	

Economic Development Projects and Programs

Economic Development Applications Due	August 19, 2022, at 3:00 p.m. PDT
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Applications in partnership with non-federally recognized tribes

Non-federally recognized Tribes	August 19, 2022, at 3:00 p.m. PDT
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Undersubscribed ED OTC and Competitive program funds remaining at the close of the 2022 CDBG NOFA will be rolled into the CD OTC waitlist of projects submitted under the 2019 Housing and Non-Housing OTC applications in the 2019-2020 NOFA.

Applications submitted before the application start date or after the respective due date or closing date will not be accepted. There will be no exceptions. The Department **recommends Applicants plan to submit their application(s) well before the final due or closing date** to provide opportunity for troubleshooting if needed.

Each application will be digitally time stamped upon submittal.

C. What is new in this NOFA

1. Resolution

The Department-approved resolution form provided within the appendices of the NOFA **MUST BE** used. Applications that are submitted with resolutions that are not on the Department-mandated form **will be disqualified**. If a governing body must prepare a separate resolution concurrently that conforms to its local standard, it may do so in addition to preparing the resolution form provided by the Department.

This is an internal control to prevent and detect **fraud** as required by HUD. This resolution also allows Standard Agreements to be executed without delay that can result when a resolution is not acceptable to the Department.

2. Capital Improvement Projects

The Department will not accept any new CD OTC capital improvement (Project) applications for the 2022 funding round. As part of the CDBG redesign process, the Department implemented OTC applications for capital improvement projects for multifamily housing, infrastructure, and public facilities in the 2019-2020 NOFA. This solicitation was oversubscribed and, in response to stakeholder feedback, those applications that were not funded were placed on a waitlist. The Department will continue to fund down the existing waitlist of shovel-ready Projects through the 2022 program year if the funds from this NOFA are undersubscribed.

3. Workshops

Workshops will be conducted virtually via Zoom. The schedule and registration information will be posted to the CDBG [webpage](#). Training and Technical

Assistance are also available on the CDBG [webpage](#).

In addition to the standard NOFA workshop, the Department will also be offering a series of trainings covering several topics that have been identified as a need for Applicants. Applicants are highly encouraged to attend the CDBG NOFA Workshops and any CDBG trainings as they detail specific issues, changes, solutions, guidance, and federal and state rules pertaining to CDBG Programs. An Applicant that opts out of any of the CDBG trainings will not be exempt from knowing the federal and state rules pertaining to the CDBG program.

4. Appeal Period

Appeals period changed from five (5) days to ten (10) days.

D. Authorizing Legislation

- [24 Code of Federal Regulations \(CFR\) §570.480 et. seq.](#), Federal CDBG Regulation
- [24 CFR Part 58](#) Environmental Review Procedures
- [2 CFR Part 200](#) Uniform Grant Administration Requirements
- [Health & Safety Code \(HSC\) §§50825-50834](#), State of California CDBG program
- [2020-2024 State of California Consolidated Plan](#)
- [2022-2023 State of California Annual Action Plan \(Currently being drafted\)](#)
- [CDBG Guidelines, California Department of Housing and Community Development](#)

If there are changes to federal or state statutes or regulations, other laws governing the CDBG program, or funding is modified by Congress, HUD, the Department, 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. The Department reserves the right, at its sole discretion and at any time, to rescind, suspend or amend this NOFA and any or all its provisions. The Department will notify interested parties through listserv emails and by posting notification on the Department website if the Department rescinds, suspends, or amends this NOFA. This NOFA is not a

commitment of funds to any Activity or Applicant.

E. Definitions

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

II. Program Requirements

All Program Requirements, Application, Application Threshold, and Initial Requirements set forth in sections II-IV must be met. Failure to include all of the requirements will result in disqualification.

A. Eligible Applicants

ONLY Non-Entitlement Units of General Local Government such as cities, counties and municipalities are eligible to apply. Federally recognized Tribes, non-federally recognized Tribes, and nonprofits may receive assistance by entering into a subrecipient agreement, Memorandum of Understanding, or contract with an eligible Applicant.

1. Non-Entitlement Status federally

CDBG program funds are provided as grants to Non-Entitlement Jurisdictions. These Jurisdictions are encouraged to partner with federally – and non-federally recognized Tribes, districts, agencies, nonprofit service providers, and other community organizations, whenever appropriate, to prepare and submit applications for CDBG funding, and to administer and complete CDBG funded Programs and Projects.

Incorporated cities located in an urban county as defined by [42 U.S.C. §5302\(a\)\(6\)](#) must formally elect to be excluded from participation in the urban county entitlement status. HUD and the Department must be notified that the city has elected to be excluded from the urban county participation as per [24 CFR §570.307\(g\)](#) for it to be eligible for the state CDBG program. Only eligible activities from eligible Applicants will be scored and ranked.

2. Housing Element Compliance

As per [HSC §50829](#), the Applicant must submit a draft or adopted housing element to the Department in accordance with the requirements listed in [Government Code \(GC\) §65580](#), et seq. and [GC §65585](#) (see Appendix B) prior to an award being granted. Applicants that fail to comply with the procedural requirements (i.e., GC §65585) of the Housing Element Law are ineligible for funding through the state CDBG program. Eligibility cannot be restored until the Applicant has met such procedural requirements.

3. Growth Control Limitations

Applicants that have adopted growth controls, including, but not limited to restrictions on residential building permits and residential buildable lots, that do not meet the exception criteria in HSC §50830 (b) and (c) are ineligible for funding as per [HSC §50830](#). Applicants intending to apply for CDBG funds are required to submit a signed 2022 CDBG Application Certifications and Statement of Assurances that certifies the Applicant has not adopted any residential growth controls, or that adopted residential growth controls meet the applicable exception criteria. Failure to submit executed Application Certifications and Statement of Assurances will result in Applicant ineligibility.

4. Application Submittal

Applicants must meet the following requirements when the application is submitted to be eligible to apply for funding under this NOFA:

- An eligible Applicant may apply on its own behalf
- An eligible Applicant may apply on behalf of one or more other eligible Applicants
- Two or more eligible Applicants, which share a program, may submit a joint application
- An eligible Applicant may apply on behalf of an eligible subrecipient including a non-federally recognized Tribe or nonprofit.

B. Restrictions on Multiple Activities in the Same Political Districts

In addition to Activity and application limits identified in the NOFA, an eligible nonentitlement Applicant may apply for activities in service areas within or outside of the Applicant's Jurisdiction when the Applicant is applying for funds set aside by the California State Legislative for non-federally recognized Tribes ([HSC §50831](#)) or Colonia's as defined in Restrictions on Multiple Activities in the Same Political Districts.

Applications for eligible activities outside the Applicant's Jurisdiction must include a legally binding agreement, acceptable to the Department, with the city or county in which the eligible Activity is located. Applicants may not apply to both the state CDBG program and to a CDBG program administered by an Urban County or other entitlement entity during the same program year.

C. Allocation and Funding

Funds will be allocated according to federal regulations found in [24 CFR §570](#) and state statute, as found in [HSC §50827](#), et seq. For more information, please

reference the [CDBG Guidelines](#). The tables below include the estimated percentage of funding available for set-asides and funding caps for the 2022 allocations. The amount of total funding available and the allocations of those funds are only estimates and are subject to change without notice. Funding awarded through this NOFA will have a 36-month expenditure and liquidation period.

NOTE REGARDING DRAW DOWN OF GRANT FUNDS:

- Pursuant to both federal and state law all CDBG costs must be:
- (1) necessary
 - (2) reasonable
 - (3) there can be no duplication of benefit
 - (4) CDBG funds cannot be used to supplant local or state resources
 - (5) Applicant must guard against fraud and (6) ineligible uses of CDBG funds

Awards will be limited to \$1.5 million per Jurisdiction, including all applications submitted under this 2022 NOFA, except jurisdictions applying on behalf of a Colonia or a non-federally recognized Tribe which may additionally apply for funds under those set-asides.

D. State Allocations

- 1. Economic Development (ED)
Per state statute, 30 percent of the annual allocation, less state operating funds, must be set aside for ED projects and programs.

NOTE: the Department is piloting the availability of advancing funds for ED Loans/Grants with CDBG-CV awards and may offer advances for this purpose to 2022 CDBG Applicants at a later date, at the Department’s discretion and pending successful deployment of the pilot.

- 2. Housing and Housing-Related Infrastructure

Per state statute, 51 percent of the annual allocation, less state operating funds, must be used by the Department to make grants to eligible cities or counties for the purpose of providing or improving housing opportunities for persons and families of low or moderate income or for purposes directly related to the provision or improvement of housing opportunities for persons and families of low or moderate income, including, but not limited to, the construction of infrastructure.

Per federal statute, no more than 15 percent of the annual allocation may fund public services.

3. Capital Non-Housing Projects

These funds will be applied to applications carried over from the 2019-2020 NOFA waitlist.

E. Special Allocations

1. Colonias

Per HUD agreement, 5 percent of the annual allocation. The Colonias allocation is exempt from the \$1.5 million per Jurisdiction limit. Eligible Activity includes housing assistance, infrastructure, and planning.

2. Non-Federally Recognized Tribes

Per state statute, 1.25 percent of the annual allocation. The non-federally recognized Tribe allocation is exempt from the \$1.5 million per Jurisdiction limit. Eligible activities include housing assistance, infrastructure, planning, and public services.

F. Federal Limits

1. Program Administration

The Department can use 3 percent of total funding for administration costs.

2. General Administration

Applicants may request up to a flat 7 percent of the total 2022 CDBG grant funding requested per Activity for General Administration (GA). GA costs may include, but are not limited to, the following categories:

- Salaries, wages, and related costs of the Grantee's staff engaged in activities associated with the general administration of the CDBG program, including general management, general legal services, accounting, and auditing
- Travel costs incurred in carrying out the general management of the program
- Administrative services performed under third-party contracts, including contracts for such services as general legal services, accounting services, and ad services

- Costs for goods and services related to the general management of the program, including rental and maintenance of office space, insurance utilities, office supplies, and rental or purchase of office equipment
- Costs incurred in providing information and resources to individuals, families, and households in the LMI group, and to citizen organizations participating in the planning, implementation, or assessment of the Grantee's program
- Administrative funding can also be used for fair housing activities in compliance with the requirements of state [CDBG Guidelines §103](#). If a cost cannot be associated with one of the above listed groups and cannot be associated with direct project costs, the Department will, upon the Grantee's request, decide whether it is an administrative cost, an Activity Delivery cost, or an ineligible cost according to [24 CFR §§570.489](#) and [570.482](#)
- Completion of the NEPA Environmental Review Record for General Administration Activities (GA NEPA)

The calculation for General Administration should be the amount of the Activity expenses plus Activity Delivery expenses multiplied by 7 percent.

$$(Activity + Activity Delivery) * 0.07 = Max GA$$

Applicants may elect to assign more funds to Activity costs and take less than the 7 percent as GA allocation. GA for PI funds is **17 percent of annual receipts**. For project budgets with both grant award and PI as funding sources, please identify how much GA will be from each source to ensure that GA stays within the program caps.

Note: The above allocations and limits do not total the amount available. These allocations and limits overlap, and applications may be counted against multiple allocations and/or limits. Please see the application solicitations for the available funding for each application type.

G. Activity Delivery

Activity Delivery (AD) costs are those costs directly related and necessary to successfully complete a specific Activity. AD covers the cost of staff directly carrying out the Activity, in addition to equipment and supplies that are necessary to carry out the Activity. Eligible costs include:

- Salaries of Grantee or subrecipient staff carrying out Activity
- Activity Specific Environmental Review Costs (not for General Administration)
- Loan underwriting costs

- Architectural and engineering design costs
- Labor compliance review costs

Supplies, equipment, uniforms necessary to carry out a specific CDBG Activity

AD must be cost reasonable and directly tied to completion of an Activity that meets a National Objective.

H. Insufficient Demand

If there is insufficient demand for an identified allocation, the Department will make awards first to any unfunded applications submitted on behalf of non-federally recognized Tribes, then to projects on the 2019-2020 NOFA OTC waitlist in the order listed and that can meet the timeliness of federal funds requirements.

I. Eligible Activities

For a complete list of eligible activities allowed under the HCDA, go to [42 U.S.C. §5305](#). CDBG program activities should be in predominantly residential areas or should serve predominantly residential areas to be eligible.

J. Activity Limits

Jurisdictions will submit one application per Activity. Each Jurisdiction can submit up to three (3) applications during this NOFA cycle. Each Activity must have a unique application with a complete budget, National Objective, scope of work, and milestone timeline. There will be no “combo” activities or applications accepted in this NOFA. Each application will have a stand-alone Standard Agreement for that Activity. Applicants are encouraged to review the sample draft Standard Agreement in Appendix K as a sample of the applicable terms and conditions required for CDBG funded activities.

1. Housing and Community Development (CD) Activities

The maximum grant award for all CD Activities is \$1.5 million per Jurisdiction. Per Jurisdiction limits do not apply to Colonia and Native American set-asides. The below limits are new grant awards limits per Activity. Program Income (PI) included in an activity budget does not count against the Jurisdiction maximum grant award. Total Activity budgets may exceed the award limits when PI is budgeted to the Activity; however, the new grant award, per Activity, shall not exceed the maximums below. Per-Activity limits do not apply to Colonia and Native American set-asides.

Pursuant to [24 CFR §570.482](#), eligible activities and maximum grant award amounts for funding the CDBG program include, but are not limited to:

- a) Housing assistance to single-family units
 - Single Family (1 - 4 units) Homebuyer Assistance - up to \$500,000
 - Single Family (1 - 4 units) Housing Rehabilitation - up to \$500,000
- b) Non-housing CD activities
 - Public services - up to \$500,000 (***Please note that rental subsistence payments are being allowed in this NOFA***)
 - Planning & Technical Assistance (including Housing Planning, public services Planning and Non-housing Planning) - up to \$250,000

2. Economic Development Activities

The maximum total Jurisdiction grant award for ED activities is \$1.5 million. When applying for ED and CD activities, the combined maximum may not exceed \$1.5 million. Applicants may apply for up to \$750,000 maximum to be used for Business.

Assistance and/or Microenterprise Assistance. These maximums do not include PI. PI may be included in addition to the new program award. The below limits are new grant awards limits per Activity. Per-Activity limits do not apply to Colonia and Native American set-asides.

ED activities and grant awards include:

- a) Business Assistance and Microenterprise Assistance (including both Micro-Financial Assistance and Technical Assistance)- up to \$750,000
- b) Infrastructure in Support of Business- up to \$1.5 million
- c) Economic Development Planning and Technical Assistance- up to \$250,000.

III. Application Requirements

A. National Objectives

CDBG funded activities must meet one of three National Objectives:

- Benefit LMI persons
- Aid in the prevention or elimination of slums or blight
- Meet an urgent need

At least 70 percent of the funds awarded must benefit LMI individuals or households. No Activity or portion of a program assisted by these funds may exclude from its benefits the lowest income-eligible group. Individual activities shall meet one of the following National Objectives:

1. Low- to Moderate-Income

Persons, households, and/or neighborhoods benefiting from LMI activities must meet HUD's LMI requirements. HUD updates income limits annually. Applicants will be notified via a news blast email and information will be posted on the Department's website when the HUD Adjusted Median Family Income (HAMFI) limits and low- to moderate-income areas (LMA) are updated. Applicants are required to use the updated income limits as soon as they are available. The LMI National Objective consists of the following categories:

a. Low-moderate Income Limited Clientele

Low- to moderate-income Limited Clientele (LMC), as defined by income limits or presumed benefit, refers to persons who earn 80 percent or less of HAMFI for the county of residence, as updated annually by HUD. Presumed benefit LMC refers to persons who, as a category, are typically low income.

- Seniors
- Persons with a disability
- People experiencing homelessness
- Abused children and battered spouses
- Illiterate adults
- Persons living with acquired immunodeficiency syndrome (AIDS)
- Migrant farmworkers

b. Low- To Moderate-Income Area (LMA)

LMA is identified using census tracts and block groups. LMA may also be identified through an income survey. See Appendix H for additional information regarding CDBG income surveys, which:

- Are based on the American Community Survey using Census Geographies.
- Contain at least 51 percent of households in the area earning at 80 percent or below HAMFI to meet LMA.
- Must be contiguous and the area should be mapped to show eligibility.
- Must be an Activity with public benefit for the area, such as streets and sidewalks, sewer/water Infrastructure, community facilities, or park improvements.
- Should be determined to be LMA eligible from the map application at HUD's [Low- and Moderate-Income Summary Data](#) Application page. [Instructions for HUD's mapping application](#) are available to assist in using the map application.

c. Low- to Moderate-Income Housing (LMH)

LMH as defined by household income limits is a household earning 80 percent or less of HAMFI.

- d. Low- to Moderate-Income Jobs (LMJ)
LMI Job Creation or Retention Activities (LMJ)
 - LMJ is based on the number of full-time equivalent jobs created or retained.
 - Must create or retain jobs, and 51 percent of those jobs must be for LMI persons.
 - To meet the public benefit requirements for LMJ activities, for every \$35,000 spent, one full-time equivalent job must be created/retained.
2. Slums and Blight on an area basis (SBA) and on a spot basis (SBS)
- Areas must be geographically defined and publicly identified as slums or blighted, typically by a council or board resolution before the Activity is considered.
 - Activities must aid in the prevention or elimination of slums or blight as described in [24 CFR §570.483\(c\)\(1-2\)](#).
3. Urgent Need

For the purposes of this NOFA, no Urgent Need applications will be accepted through the NOFA application process without prior Department approval. If you have a program or a project that meets the criteria of Urgent Need, as established at [24 CFR §570.483\(d\)](#) and you believe your proposed project or program must use Urgent Need as a National Objective to be program eligible, please contact your Department representative for further instructions.

Special requirements apply to Urgent Need. Please contact the Department for more information.

B. Milestones

All CDBG program-funded activities must be implemented according to the milestones defined in the Standard Agreement. Applicants must include at least five milestones per Activity application. Milestone One and the Final Milestone will be prepopulated and cannot be edited by Applicants:

- Milestone One: Activity Initiation. Must be completed no later than 60 days from contract execution
- Milestone Two: First draw of grant funds
- Milestone Three: 50 percent completion
- Milestone Four: Final draw of grant funds
- Final Milestone: Activity closeout (must be completed no later than 90 days after the Expenditure Deadline)

Additional milestones are optional, though encouraged for best practice of Activity implementation. Milestones may be adjusted for delays in application review and Standard Agreement execution. Applicants are encouraged to evaluate feasibility of meeting milestones and build time for unexpected delays into milestone schedules. Milestones may not extend beyond the expenditure deadline of an award. All milestones proposed by Applicants are subject to the review and approval of the Department.

TIP: The Department realizes that these milestone dates are estimates. Instead of using an actual date for all optional milestones, please put a time frame.

For example:

Milestone Two: Activity initiation. 60 days from contract execution

Milestone Three: First draw of grant funds: 90 days from contract execution

These milestones can be updated by your CDBG representative if changes are needed to be made.

C. Conditions

Applicants and awardees acknowledge that the funding opportunities referenced in this NOFA, and all obligations of the Department herein, are expressly subject to and conditioned upon the ongoing availability of funds, as well as the continued authority of the Department to operate the CDBG program. In the event that funds are not available, the CDBG program or act under this NOFA is eliminated, or in anyway restricted, the Department shall have the option, at its sole discretion, to amend, rescind, suspend, or terminate this NOFA and any associated funding pursuant to the provision set forth immediately above.

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

IV. Application Threshold and Initial Requirements

All applications are required to pass threshold requirements. Applications that do not meet threshold will not move on to scoring, or in the case of ED OTC, will not be reviewed for award and immediately disqualified.

The Department **strongly recommends** a careful review of the application and application instructions **PRIOR** to beginning the application.

A. Threshold Requirements

The following threshold requirements must be met at the time of application:

1. The Applicant must be an **eligible nonentitlement jurisdiction**.
2. The Applicant must demonstrate to the satisfaction of the Department that it is compliant with the financial management requirements of [2 CFR §200](#).
3. The Applicant must provide the Department with its most recent single audit (as submitted to the State Controller's Office), if applicable. **If the Applicant had or has single audit findings identified in the audit, they must include the remediation plan/agreement; the Applicant will be deemed ineligible for funding through the state CDBG program until the findings are resolved or a remediation plan or agreement is established.** Any and all single audit findings are included in this evaluation.

This requirement is **not** limited to federal funds administered by the Department. If an Applicant is not subject to single audit requirements, the Applicant is not required to submit an audit.

If an Applicant is not required to submit an annual single audit, they must provide certification that they are not required to submit.

4. Pursuant to [24 CFR §578.25](#), acceptable evidence of site control is a deed or lease. Absent a current deed or lease, an Applicant may use assessor's parcel information to establish ownership for Applicant or subrecipient-owned sites. If grant funds will be used for acquisition, acceptable evidence of site control will be a purchase agreement. Site control must be maintained through the operation period of the Activity. Activities are expected to last one year.
5. Must have documented site control for that year. If site control is expected to expire during the open Activity period, the Applicant must document that either an alternative site will be made available or that the Activity operators intend to extend or renew the lease on the existing site.
6. Applicants must include the Jurisdiction name, initial all pages, sign, and submit the Certifications and Statement of Assurances (Appendix J) with their application to meet threshold. Please review the Statement and confirm compliance with each requirement. Failure to comply with the certifications and assurances may result in disqualification, recapture of federal funds, and debarment.

7. Pursuant to [24 CFR §570.486](#), applications must follow CDBG Public Participation regulations. Applicants must provide documentation that the [Citizen Participation](#) requirements have been met. Documentation must include proof of public noticing, information provided during the public hearing or public meeting, and public comments received during the public participation, including Jurisdiction responses to comments. Additional information about public participation requirements can be found in Appendix C.
8. The application includes a completed Authorizing Resolution **using the required Department-approved Authorizing Resolution form** and approved by the Applicant's governing board. The Authorizing Resolution designates a person or persons responsible for, and authorized to, execute all documents related to the application of CDBG funds.

Please see Appendix D for instructions for completing the resolution along with a resolution form.

If a governing body must prepare a separate resolution concurrently that conforms to its local standard, it may do so in addition to preparing the resolution form provided by the Department. Applicants must submit their approved resolutions on the form provided by the Department by the application due date. The Department will NOT accept resolutions after this time.

9. Applicant must submit the required [Government Agency Taxpayer ID \(TIN\) Form](#) found in the Files tab of each program solicitation. Submitted TIN forms must include DUNS numbers and accurate payment information to be complete and must not have been signed more than one (1) year before submission.
10. CDBG budgets found in the Grants Network portal are required at application submission. Required budget information includes direct costs only. Direct costs for Activity, GA, Program Income, and 'Other', if applicable, must be completed and clearly identified. Do **not** include any information on indirect cost, match, or cost share.
11. In addition, Applicants are required to upload their Sources and Uses for all funds applicable to the CDBG Activity. The application will guide Applicants that are using multiple funding sources to finance their Activity to upload a comprehensive Activity Sources and Uses.
12. Based on the 50 percent rule, Applicants with one or more current and open CDBG Standard Agreements (SAs), for which the expenditure deadline established in the agreement(s) has not yet passed, shall be ineligible to apply for any additional

CDBG funds for the same type of Activity(ies) included in those open CDBG SAs, unless the Applicant has expended at least 50 percent of CDBG funds previously awarded, including PI, for that Activity, or unless a waiver to the rule has been approved by the Department's Director, as allowed at HSC §50833(f).

13. This includes PI only SAs approved for the same type of Activity(ies). For SAs awarded prior to 2018, Applicants will be required to provide their most recent Request for Funds and documentation to document compliance with the 50 percent rule requirement. For awards managed through Grants Network, a screenshot of the grant administration screen at the time of submittal of the application will work as documentation for compliance with the 50 percent rule.
14. Pursuant to [24 CFR Part 5](#), all CDBG Applicants are required to verify they and their principals, or any/all persons, contractors, consultants, businesses, sub-recipients, etc., that are conducting business with the Applicant are not presently debarred, proposed for debarment, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction or in any proposal submitted in connection with the covered transaction. Applicants and their partners, contractors, consultants, and subrecipients must register with the [System for Award Management \(SAM\)](#) to do business with the U.S. government and have debarment checks that return a registration status of "Active" and "No Active Exclusion Records" under the Exclusion Summary.
15. The Department will not award any CDBG program funds to Applicants and Applicant partners, including contractors, subrecipients, and consultants that are debarred, suspended, proposed for debarment, and declared ineligible, voluntarily excluded from participation, or that are unregistered in SAM from federally assisted programs. Applicants are not required to perform debarment checks on individual Applicant or partner employees or individual persons unless that person is acting as a contractor, consultant, subrecipient, or program partner and will be receiving payment directly from CDBG funds. **Debarment information must be complete to qualify.**
16. The Applicant must demonstrate, to the satisfaction of the Department, that it is meeting the State Objectives as described in Appendix I.
17. Pursuant to the National Environmental Policy Act of 1969 (NEPA), Environmental Standards must be met. Applicant must demonstrate compliance by submission of fully complete, current, and applicable Environmental Review Record forms and supporting documentation. Required NEPA process, training, and current forms are available on the [HUD Exchange](#) under the 'Formats' option. Additional HUD guidance can be found at the [Orientation to Environmental Reviews](#) page also on the HUD Exchange.

18. If Applicants intend to use CDBG funding for GA Activities, a GA NEPA review will also be required at application submission, specifying the applicable exemption in [24 CFR §58.34\(a\)](#).
19. For ED Business Assistance and CD housing assistance activities that operate as a program but, as per HUD, require site specific environmental reviews for NEPA clearance, only a GA NEPA review is required at application. Applicants using a Tiered Review process are strongly encouraged to submit their Tier 1 review at application.

ED APPLICATIONS ONLY

The Applicant must demonstrate capacity and experience to operate an ED Activity. Capacity and experience may be documented through one of the following commitments:

- a. The Applicant has hired staff that are able to dedicate capacity to the operation of a CDBG-funded ED Activity.

These staff must have at least:

- Three years of CDBG ED experience; **or**
- Five years of commercial underwriting experience plus two years of general CDBG experience.

- ~~b. The Applicant has a draft contract or subrecipient agreement with a qualified consultant or nonprofit ED group with direct experience in CDBG ED implementation. The agreement must be fully executed, and a copy provided to the Department within 30 days of receipt of the Standard Agreement. Final contracts and/or subrecipient agreements must be with the same entities as proposed in draft at the time of the application. Substitutions will invalidate the application and cancel the award.~~

- b. The Applicant has prepared a draft request for proposals or subrecipient selection process for a qualified consultant or nonprofit ED group with direct experience in implementation of the ED activity proposed in the application. The applicant has identified at least three (3) qualified consultants or nonprofit ED groups with direct experience in implementation of the ED activity proposed in the application.**

A request for proposals or a subrecipient selection process must be completed within 60 days of applicant's receipt of the Standard Agreement. A copy of the executed agreement with the selected subrecipient

or contractor must be provided to the Department within 120 days of execution of the Standard Agreement. These must be listed as milestones in the application.

The Applicant commits to partnering with the Small Business Development Centers or a similar organization that has direct experience in CDBG ED program design, implementation, and commercial underwriting. This commitment will be a resolution, memorandum of understanding, or similar formal statement and will be required at application.

B. Application and Activity Requirements

At time of application submission, all applications must comply with and provide documentation of HUD's federal cross cutting requirements found at [24 CFR §570.600, et seq](#), and summarized in section X Federal Program Requirements of this NOFA, and state overlays.

State overlay areas are as follows:

1. Application verification

Applicants must certify upon submission that their application is true and correct to the best of their knowledge: the required application input fields, attachment uploads, and budgets. **Selecting an input field or uploading a blank document to circumvent the application requirements invalidates the application certification and will result in immediate disqualification.** Applicants that intentionally input false information or that intentionally upload blank documents will have their good standing with the Department revoked and may be determined to be ineligible for other Department funding. Intentionally providing false information is fraud.

Applicants that rely on consultants or grant writers to prepare the CDBG application are strongly encouraged to review the application for completeness and correctness prior to submittal. It is also strongly encouraged to give plenty of time for submitting prior to the cutoff date and at least several hours prior to the cutoff time.

If an input field, upload requirement, or application component is not functioning correctly, or if there are system outages or other system failures prior to submittal, please contact cdbq@hcd.ca.gov as soon as possible prior to the cutoff time to document the issue so that applications are not disqualified due to technical difficulties. Failure to contact the Department with system issues will not exempt Applicants from application verification requirements.

2. Gap funding and duplication of benefits

CDBG is intended to provide stop-gap funding for crucial infrastructure, public safety, housing, and social service projects. CDBG funds may not be obligated to Activities that are documented to already have sufficient funding for the Activity as described, or that have identified multiple funding sources for the same costs, resulting in a duplication of benefits and overfunding of the Activity. CDBG funds must be "but-for" funding for every Activity and may not be used to supplant local

or state resources. CDBG grant funds cannot be used to replace funds that have been budgeted and/or expended from another funding source for the same Activity. Pre-agreement costs are eligible provided that the initial funding for those costs is identified as a temporary funding source (such as a loan from a local fund wherein the loan is float funding the CDBG Activity pre-agreement costs but must be repaid so that the temporary loaned funds may be used as originally intended) and that the costs are budgeted to be part of the CDBG Activity.

3. Good standing

The Applicant, and any co-Applicant, together with all respective affiliates, must be in good standing with the Department (*i.e.*, are current on all loan and/or grant obligations, have a satisfactory past performance history in all their prior dealings with the Department, and are in full compliance with all Department contracts and reporting requirements). Applicants not meeting the foregoing requirements shall be ineligible to apply for or receive funding under this NOFA.

4. Article XXXIV

Applicants engaging in low-income housing project activities that are subject to Article XXXIV of the California Constitution must show that the project approval process complies with Article XXXIV requirements. The state statutes implementing Article XXXIV can be found at [HSC §37000](#). Exceptions to Article XXXIV can be found at [HSC §37001](#).

5. Racial equity

Applicants should prioritize the advancement of racial equity in all CDBG programs and across systems and units of government in the Jurisdiction. The Department asks Applicants to be leaders in the community, facilitating partnerships among service organizations, housing providers, units of government, businesses, the homelessness response system, and other partners to promote racial equity practices.

All Applicants must identify the work performed to ensure racial equity in access to programs, projects, and activities funded with CDBG resources. Applicants must commit to analyzing disproportionality in access to housing, access to services, quality of service provision, and desired outcomes in Programs and Projects and affirmatively further equitable access, quality of service provision and outcomes for protected classes, including but not limited to Black, Native and Indigenous, Latino/Latina/ Latinx, Asian, Pacific Islanders, and other people of color who have been historically marginalized and are disproportionately impacted by housing segregation, poverty, and homelessness.

Applicants cannot simply rely on delivering a standardization of services to address equity. Applicants must commit to reviewing their current policies and procedures and examining available data to ensure all eligible persons receive equitable services, and support, and are served with dignity, respect, and compassion regardless of circumstances, ability, or identity. See Appendix N for Racial Equity Resources and Tools.

When applying for 2022 CDBG funds, Applicants should consider:

- What are the community’s racial demographics and the demographics of those experiencing homelessness, housing, and economic insecurity?
- What are the outcomes of the CDBG programs based on race? What are the requirements for all sub-grantees to look at data to determine racial disparities and then put a plan in place to address them?
- How do underserved and marginalized communities learn about and access the CDBG program? What marketing and communication strategies are used to increase equitable access to CDBG programming?
- How does the grant-making process include prioritization for programs that are addressing the disproportionate impacts that housing insecurity, homelessness, economic insecurity, lack of access to equitable health care, and COVID-19 has on communities of color, particularly Black, Latinx, Asian, Pacific Islander, and Native and Indigenous communities?
- How are the voices of Black, Latinx, Asian, Pacific Islander, and Native and Indigenous communities and those having lived with the experience of housing insecurity, homelessness and economic insecurity being centered in a meaningful, sustained way in creating effective approaches to addressing these challenges? How are they involved in the funding decision-making process?
- How are these funds accessible to smaller and non-traditional organizations that have historically been serving communities of color but may not have previously participated formally in government grant programs? How would these funds address the capacity of organizations that are led by Black, Latinx, Asian, Pacific Islander, and Native and Indigenous people?
- Provide a list of partner organizations that are addressing racial equity in the housing and homeless response system, the ED sector, and the health care sector and describe how you partner with them.

The Department will require Applicants to submit related racial and ethnic data metrics of their CDBG programming on a **quarterly reporting basis**.

V. Application Review

All applications that pass threshold will be reviewed for Activity eligibility. Activities that do not meet program eligibility requirements will be disqualified.

The Department reserves the right, at its sole discretion, to suspend, amend, or modify the provisions of this NOFA at any time, including, without limitation, the amount of funds available hereunder. This includes, but is not limited to, authorizing an increase in funding to any Applicant after the Department makes an award under this NOFA.

Qualifying competitive applications will be scored according to the evaluation criteria outlined in the application under the Readiness Section. Scores include two components:

A. Needs score

Needs score use publicly available data from the U.S. Census Bureau's American Community Survey to measure poverty, housing, and ED needs. These statistics are used to rank all eligible Non-Entitlement Jurisdictions and the rankings are translated into numeric scores. Need scores summarize the severity of a community's need for a specific Activity relative to other communities. The Department prepares the need scores and will provide the scores as Appendix A to this NOFA.

B. Activity readiness

Activity readiness is an indicator of Applicant preparedness for Activity implementation. Applicants are expected to have necessary contracts and subrecipient agreements in place at the time of application submittal. Fully executed contracts and agreements will score higher than draft contracts and agreements. Applicants that will not be using contracts or subrecipient providers to carry out the Activity and will instead use Applicant staff must clearly document that staff have the experience and capacity necessary to successfully complete the Activity. Documentation will include position description(s) for the identified staff, resumes, or Curriculum Vitae for each staff person involved in the implementation of the Activity, organizational chart, and estimated workload.

Applications will be ranked based on highest score. Applicants will be notified of their point score, and the Final Point Score and Awardee List will be posted to the CDBG webpage.

VI. Award Recommendations

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 through the eCivis Grants Network. 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. The Final Award List will be posted on the CDBG webpage. Applicants may request a copy of their application reviews after the review has been completed and the Applicant has been notified of the results.

VII. Application Submission

A. Workshops

The Department is conducting a series of application workshops that began in January 2022. These workshops will include training on:

- Resolutions: What is required and why
- How to complete the correct level of Environmental Review
- How to pull a debarment check
- How to complete the eCivis Budget
- How to pick the correct National Objective
- How to pick the correct Matrix Code
- How to write a narrative
- How to address racial equity in your CDBG funded projects and programs
- How to complete the 2022 NOFA Application
- 2022 NOFA review

Applicants are strongly encouraged to attend these virtual workshop sessions. If they are unable to attend the virtual workshop, Applicants are strongly encouraged to review these workshops on the CDBG website. This website also provides Training and Technical Assistance materials on the CDBG program, the CDBG Redesign, using Grants Network, and preparing a CDBG program application in Grants Network.

Please visit the Department's [website](#) for upcoming information.

B. Submission Process

Applicants must follow instructions in this NOFA, the online application, and the CDBG program Guidelines. The Department strongly encourages Applicants to have

all required documents on hand when completing the application. Failure to follow instructions and submit all required documentation **will result in disqualification**. 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. Department staff may request clarifying information but are unable to accept any new documentation that would provide an unfair advantage over other applications. It is **strongly** recommended that all documents be reviewed and saved to their own electronic files PRIOR to submission.

The CDBG Application and all required attachments must be submitted to the Department through the [eCivis 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 31 U.S.C. §3729."

Applicants that do not have an account with eCivis should log into the eCivis portal. Use the "Create an account" option to initiate a profile. See the available [training on the CDBG webpage](#) to learn how to open an account. There is no cost associated with an eCivis account.

C. 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 Department 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 Department in its sole and absolute discretion.

D. 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, the Department may disclose any materials provided by the Applicant to any person making a request under this Act. The Department 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 the Department, the Applicant is waiving any claims of confidentiality, and consents to the Department's disclosure of the Applicant's material upon receipt of a Public Records Act request.

VIII. Appeal Criteria and process

A. Appeal process and deadlines

In order to lodge an appeal, Applicants must submit to the Department a written appeal by the filing deadline set forth below, 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(s) of the Application that provide clarification and substantiation for the basis of the appeal. No new or additional information will be accepted if this information would result in a competitive advantage to an Applicant. Once the written appeal is submitted to the Department, no further information or materials will be accepted or considered thereafter.

All Appeals must be submitted to the Department via email at

cdbq@hcd.ca.gov,

PLEASE do not send Appeals to Department staff directly.

Emails to the email address listed above will be accepted so long as the email time stamp is prior to the appeal deadline.

Filing Deadline: Appeals must be received by the Department no later than ten (10) business days from the date the Department notifies the Applicant that their application has failed to meet eligibility, threshold, or has failed to score high enough in readiness to qualify for award. Late appeals will not be reviewed.

B. Appeal decisions

It is the Department's intent to render its decision in writing within fifteen (15) business days of receipt of the Applicant's written appeal. All decisions rendered shall be final, binding, and conclusive, and shall constitute the final action of the Department with respect to the appeal.

C. Effectiveness

If the applicable statutes and/or Guidelines governing the CDBG program contain an existing process for appealing decisions of the Department with respect to NOFA awards, then this section shall be inapplicable, and such existing authority shall govern all appeals.

IX. Awards announcement and grant implementation

A. Awards announcements

The Department anticipates awards will be announced no later than November 2022. OTC awards will be announced as applications are approved for funding. Until awards are announced, the CDBG staff will not be able to discuss applications or the status of applications.

Within 60 days from the award announcement date, unsuccessful Applicants will have the opportunity to request an interview with Department staff to discuss their application. Applications and agreements are public information and are available for review upon request.

B. Standard Agreements

Successful Applicants (awardees) will enter into a Standard Agreement with the Department. A draft sample Standard Agreement is included as Appendix K to this NOFA. The Standard Agreement contains all the relevant state and federal requirements, Activity performance and management requirements, and disbursement requirements. A condition of award will be that a Standard Agreement must be executed by the awardee within 30 days (contracting period) of the awardee's receipt of the Standard Agreement(s). Failure to execute and return the Standard Agreement(s) to the Department within the contracting period will result in award cancellation. Award cancellations are final.

In order to ensure that the Standard Agreements are being sent to the correct individual, **Applicants MUST complete ALL required sections of the profile section of the application.**

X. Federal program requirements

A. Federal Cross-Cutting Requirements

The CDBG program is 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. The Department incorporates all federal cross-cutting requirements into the state CDBG program, and the regulations in Part 570 are translated into required actions on the part of all Grantees of the state CDBG program.

This following is a summary of the federal cross-cutting requirements:

- Environmental Standards (based on 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 should 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 Grantee 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 Grantees must comply with federal procurement requirements. The Department will review the Grantee'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 the Department 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 program because the CDBG program beneficiaries are victims of this crime when the CDBG program is abused. The Department wants to stop any criminal assault on the CDBG program it administers, and in doing so all CDBG 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 Department and CDBG NOFA Applicants to combat CDBG 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 citizens 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 CDBG program to the OIG.

HUD OIG accepts reports of fraud, waste, abuse, or mismanagement in the CDBG program from HUD employees, anyone administering the CDGB program, anyone working in the CDBG 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 CDBG 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: - Department of Housing & Urban Development
Office of Inspector General Hotline Manager
400 Virginia Avenue, SW, Suite 120
Washington, DC 20024



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

Text File

File Number: 23-208

Agenda Date: 7/24/2023

Version: 1

Status: Business

In Control: City Council

File Type: Staff Report

Agenda Number: 8A.

Adopt City Council Resolution Approving a Loan Agreement with Fort Bragg South Street LP, a California Limited Partnership for which Danco Communities Serves as a Co-Administrative General Partner, to Assist with the Development of The Plateau and Authorizing City Manager to Execute Same (Amount Not To Exceed: \$2,280,000; Account No.176-0000-1306)

Over the past eight years, the City has been working with Danco Communities to secure support and funding for The Plateau, an affordable housing development that includes: 20 Permanently Supportive Housing Units; 23 Affordable Senior Housing Units; 25 Workforce/Family Housing Units; a Manager's Unit; 3 Common Structures; and associated infrastructure and site improvements, located on APN 018-340-04 / 018-340-06.

The City committed \$250,000 from the City's Housing Trust Fund; and secured \$3,000,000 of Homeless Emergency Aid Program (HEAP) grant funds; 3,089,000 of Infill Infrastructure Grant Program (IIG) grant funds; as well as the subject Permanent Local Housing Allocation Program (PHLA) Competitive Component funding in the amount of \$2,400,000.

Attached is the Resolution with the final loan documents for PHLA funding.



AGENCY: City Council
MEETING DATE: July 24, 2023
DEPARTMENT: Public Works
PRESENTED BY: S McCormick
EMAIL ADDRESS: smccormick@fortbragg.com

AGENDA ITEM SUMMARY

TITLE:

Receive Report and Consider Adoption of City Council Resolution Approving Loan Agreement with Fort Bragg South Street LP to Assist with the Development of The Plateau and Authorizing City Manager to Execute Same (Amount Not To Exceed: \$2,280,000; Account No 176-0000-1306)

ISSUE:

Danco Communities (“Danco”) develops, builds, and manages affordable residential housing facilities. In 2014, the City first partnered with Danco on the Cottages at Cypress – a twenty-five-unit, single-story affordable housing project for seniors earning 50% or less of the Area Median Income (AMI). Following the completion of the Cottages at Cypress, City staff worked with Danco on several potential site options before Danco settled on the large parcel located at the end of South Street (APN 018-340-04 / 018-340-06). Planning Commission approved the first iteration of the project known as “The Plateau” on January 10, 2018.

As an affordable project, an important financing component is Tax Credit Financing. Danco submitted a tax credit application in the spring of 2018, but the application failed because the project did not have sufficient sources of non-tax credit financing. The City was committed to seeing this project built, and dedicated staff resources to help Danco secure various non-tax credit funding to be competitive for Tax Credit Financing.

Initially, the City attempted to use Community Development Block Grant (CDBG) program funds for off-site improvements. However, CDBG did not consider a tax credit funded project “shovel ready” because CDBG wants the tax credit funding committed before funding the project and the Tax Credit bonding agency wants CDBG funds committed before approving their funding. To align the project with the current policies and objectives of State funding programs, the project was reconfigured to include Permanent Supportive Housing Units.

The final project design is based on a pocket neighborhood concept and includes 68 residential units (20 Permanent Supportive, 23 Senior; and 25 Workforce Family with a manager’s unit and common structures). It opened to tenants in November 2022, and received the following City support to help finance the project:

- **Tax Credit Financing.** The California Tax Credit Allocation Committee (TCAC) allocates federal and state tax credits to the developers of these projects. Corporations provide equity to build the projects in return for the tax credits. TCAC verifies that the developers have met all the requirements of the program and ensures the continued affordability and habitability of the developments for the succeeding 55 years.
- **Housing Trust Funds.** City Council authorized a loan of \$250,000 at 3% interest for a 55-year term from the City’s Housing Trust Fund.

AGENDA ITEM NO. 8A

- **Project Based Vouchers.** The City dedicated 20 project-based vouchers for the Permanent Supportive Housing Units.
- **Homeless Early Action Planning (HEAP).** The City applied for, and Mendocino County Continuum of Care awarded, \$3 million in HEAP funds.
- **Infill Infrastructure Grant (IIG).** The City sponsored an IIG program request to fund improvements to South Street and Kemppe Way and was awarded \$3,089,000.
- **Permanent Local Housing Allocation Competitive Component (PLHACOM).** The City signed on as a co-applicant and was awarded \$2,400,000.

ANALYSIS:

In September 2022, the City of Fort Bragg, Community Revitalization and Development Corporation, and Danco Communities entered into Agreement No. 21-PLHACOM-17075 with the Department of Housing and Community Development for \$2,400,000 of PLHACOM program funds. \$2,280,000 would be delivered in the form of a low-interest, deferred loan as evidenced through the attached Promissory Note, Deed of Trust, and Regulatory Agreement. A 5% Administration Fee of \$120,000 will be retained by the City to recover costs associated with this effort.

RECOMMENDED ACTION:

Approve Resolution for PLHACOM loan to Fort Bragg South Street LP, a California limited partnership created to develop the Plateau project for which Danco serves as a co-administrative general partner.

FISCAL IMPACT:

City costs will be partially recovered with the 5% Administrative Fee (\$120,000).

CONSISTENCY:

The Project is consistent with numerous goals, policies and programs of the City’s Housing Element, as evidenced by the following:

Goal H-2 Expand affordable housing opportunities for persons with special needs such as the elderly, the disabled, and households with very low to moderate incomes, and first time homebuyers.

Policy H-2.1: Available Funding Sources. Utilize County, State, and Federal programs and other funding sources that provide housing opportunities for lower-income and special needs households.

Policy H-2.2: Encourage Senior Housing. Encourage affordable and market rate senior housing projects to be developed with density bonuses and flexible parking standards where consistent with maintaining the character of the surrounding neighborhood.

Policy H-2.4: Increase Affordable Housing Development. Encourage the construction of housing units which are affordable to households with very low to moderate incomes.

Policy H-2.8: Emergency and Transitional Housing. Continue to support emergency shelters, transitional housing and supportive housing within the City.

IMPLEMENTATION/TIMEFRAMES:

Following Council approval PLHACOM loan documents will be notarized, recorded by Mendocino County, and dispersed at the earliest date.

ATTACHMENTS:

- Resolution
- Loan Document

NOTIFICATION:

- Danco/South Street LP
- State Grant Management HCDR II, Eric Gonzalez
- City of Fort Bragg "Notify Me" e-subscriber list: Affordable Housing; Finance & Budgeting; Homeless

RESOLUTION NO. ____-2023

**RESOLUTION OF THE FORT BRAGG CITY COUNCIL
APPROVING AND AUTHORIZING THE EXECUTION OF AN AFFORDABLE
HOUSING LOAN AGREEMENT WITH FORT BRAGG SOUTH STREET LP
FOR THE PLATEAU PROJECT (APN 018-340-04; 018-340-06)**

WHEREAS, the State of California (the “State”), Department of Housing and Community Development (“Department”) issued a Notice of Funding Availability (“NOFA”) dated 06/07/2021 under the Permanent Local Housing Allocation (PLHA) Program Competitive Component; and

WHEREAS, on September 13, 2021, the City Council adopted Resolution No.4441-2021 authorizing the application for PHLA Program Non-Entitlement Local Government Competitive Component to support the development of an affordable housing project referred to as the Plateau, located at 431, 435 South Street and 500, 520 Kemppe Way (the “Project”);

WHEREAS, Fort Bragg South Street LP, a California limited partnership (“Developer”), was created to develop the Project, for which Danco Communities serves as a co-administrative general partner; and

WHEREAS, on August 30, 2022, the City was awarded \$2,400,000 in PHLA program funds and entered Agreement Number 21-PHLACOM-17075; and

WHEREAS, loan documents have been drafted and approved as to form by special counsel of the City, Fort Bragg South Street LP, and the State; and

WHEREAS, based on all the evidence presented, the City Council finds as follows:

1. With the submission of the PHLA Application, the Developer agreed to use the PLHA funds for eligible activities as set forth in Section 401 of the Guidelines and as awarded and approved by the Department in accordance with all Program requirements, Guidelines, other rules, and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the City and the Department; and
2. PLHA assistance will be in the form of a low-interest, deferred loan to the Developer of the Project and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement, which shall restrict occupancy and rents in accordance with the Department-approved underwriting of the Project for a term of at least 55 years.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fort Bragg, as follows:

Section 1. The City Council hereby approves the Loan Agreement, in substantially the form attached hereto as Exhibit A and incorporated herein by reference, subject to any minor, technical and non-substantive changes approved by the City Manager and the City’s legal counsel, and hereby authorizes the City Manager to execute the Loan Agreement and any other documents necessary to effectuate the terms of the Loan Agreement.

The above and foregoing Resolution was introduced by Councilmember _____, seconded by Councilmember _____, and passed and adopted at a regular meeting of the Fort Bragg City Council held on the 24th day of July 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

BERNIE NORVELL
Mayor

ATTEST:

Cristal Munoz, Acting City Clerk

Exhibit A

AFFORDABLE HOUSING LOAN AGREEMENT
(to be inserted)

PERMANENT LOCAL HOUSING GRANT
LOAN AGREEMENT
(441 SOUTH STREET)

This Affordable Housing Loan Agreement (“**Agreement**”) is entered into as of _____, 2023 (Effective Date) by and between the CITY OF FORT BRAGG, a California municipal corporation (“**City**”) and FORT BRAGG SOUTH STREET LP, a California limited partnership (“**Borrower**”).

RECITALS

A. Borrower acquired certain real property located in Fort Bragg, California, as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference (the “**Property**”) upon which it will develop a multifamily housing facility to be known as The Plateau Housing Project (the “**Project**”).

B. The Project is an affordable multifamily housing project with three components: (i) 20 units of permanent supportive housing, plus a manager’s unit; (ii) 23 single-story senior residential cottages; and (iii) 25 workforce/family residential units and associated amenities.

C. The City received a Homeless Emergency Aid Program (HEAP) grant of Three Million Dollars (\$3,000,000) (the “HEAP Grant”) from the County of Mendocino Health and Human Services Agency as the administrative entity for the Mendocino County Homeless Continuum of Care (MCHCOC). In addition, the City, in its capacity as the Housing Successor to the former Redevelopment Agency of the City of Fort Bragg committed Two Hundred Fifty Thousand Dollars (\$250,000) from its Low- and Moderate-Income Housing Fund for the Project. The HEAP Grant and the Pre-Development Loan were memorialized in a Loan Agreement dated November 1, 2020 (collectively “HEAP Loan Agreement”).

D. In connection with the HEAP Loan Agreement, the parties executed a Regulatory Agreement and Declaration of Restrictive Covenants dated November 1, 2020, and recorded in the official records of Mendocino County, California, on November 25, 2020, as instrument number 2020-16121 (“**Regulatory Agreement**”).

E. On September 13, 2021, the City Council of the City of Fort Bragg adopted Resolution No. 4441-2021 authorizing the application for Permanent Local Housing Allocation (PLHA) Program Non-Entitlement Local Government Competitive Component to support the “Project.” On August 30, 2022, the City was awarded \$2,400,000 in PLHA program funds (PLHA Award”) and entered Agreement Number 21-PLHACOM-17075. From the PLHA Award, \$2,280,000 is being loaned to Borrower herein for the Project. The remainder is being retained by the City for its administrative costs.

F. The City desires to enter into this Agreement to make a loan to Borrower in the amount of \$2,280,000, subject to the terms and conditions as set forth in this Agreement.

NOW, THEREFORE, City and Borrower hereby agree as follows:

AGREEMENT

100. DEFINITIONS

101. Terms. The following terms, as used in this Agreement, shall have the meaning ascribed them in this Section:

a. “**Additional Borrower Financing**” has the meaning set forth in Section 401.

b. “**Affiliate**” means any other Person Controlling or Controlled by or under common Control with a specified Person.

c. “**Agreement**” means this Affordable Housing Loan Agreement.

d. “**Annual Operating Expenses**” means for each calendar year, the costs reasonably and actually incurred for operation and maintenance of the Project, which shall generally include: (i) Property taxes and assessments imposed on the Project; (ii) debt service due on a non-optional basis (excluding debt service due from residual receipts or surplus cash of the Project) on the Approved Financing; (iii) on-site service provider fees for supportive housing social services, provided the City has approved, in writing, the plan and budget for such services before such services begin; (iv) property management fees and reimbursements, on-site property management office expenses, and salaries of property management and maintenance personnel, not to exceed amounts that are standard in the industry and which are pursuant to a management contract approved by the City; (v) annual partnership/asset management fees of \$7,500, escalated by 3% annually, to the limited partner, and \$10,000, escalated by 3% annually, to the general partner; (viii) fees for accounting, audit, and legal services incurred by Borrower's general partner in the asset management of the Project, not to exceed amounts that are standard in the industry, to the extent such fees are not included in the approved partnership/asset fees; (ix) premiums for insurance required to satisfy the requirements of any lender of Approved Financing; (x) utility services not paid for directly by tenants, including water, sewer, and trash collection; (xi) maintenance and repair expenses and services; (xii) any annual license or certificate of occupancy fees required for operation of the Project; (xiii) security services; (xiv) advertising and marketing; (xv) cash deposited into the Replacement Reserve Account in the amount set forth in this Agreement; (xvi) cash deposited into the Operating Reserve Account to maintain the amount set forth in this Agreement (excluding amounts deposited to initially capitalize the account); (xvii) payment of any previously unpaid portion of any developer fee approved by the City (without interest); (xviii) extraordinary operating costs specifically approved in writing by the City; (xix) payments of deductibles in connection with casualty insurance claims not normally paid from reserves, the amount of uninsured losses actually replaced, repaired or restored, and not normally paid from reserves, and other ordinary and reasonable operating expenses approved in writing by the City and not listed above; (xx) loans made by partners of the Borrower to the Borrower in accordance with Borrower's Partnership Agreement; (xxi) tax credit adjuster payments due to the Borrower's limited partner in accordance with Borrower's Partnership Agreement; and (xxii) other ordinary and reasonable operating expenses approved in writing by the City and not listed above. Annual Operating Expenses do not include the following: depreciation, amortization, depletion or other non-cash expenses, initial deposits to capitalize a reserve account, any amount expended from a reserve account, and any capital cost associated with the Project.

e. **“Approved Financing”** means the Loan and the Additional Borrower Financing approved by the City and any Refinanced Indebtedness, as defined in Section 608.

f. **“Automobile Liability Insurance”** means insurance coverage against claims of personal injury (including bodily injury and death) and property damage covering all owned, leased, hired and non-owned vehicles used by Borrower regarding the Project, with minimum limits for bodily injury and property damage of One Million Dollars (\$1,000,000). Such insurance shall be provided by a business or commercial vehicle policy and may be provided through a combination of primary and excess or umbrella policies, all of which shall be subject to pre-approval by City, which approval shall not be unreasonably withheld.

g. **“Borrower”** has the meaning set forth in the introduction to this Agreement.

h. **“Borrower’s Partnership Agreement”** means that certain Amended and Restated Agreement of Limited Partnership of Borrower dated as of September 1, 2020.

i. **“Builder’s Risk Insurance”** means builder’s risk or course of construction insurance covering all risks of loss, less policy exclusions, on a completed value (non-reporting) basis, in an amount sufficient to prevent coinsurance, but in any event not less than one hundred percent (100%) of the completed value of the construction of the Project, including cost of debris removal (subject to a policy sublimit), but excluding foundation and excavations. Such insurance shall also: (a) grant permission to occupy; and (b) cover, for replacement cost, all materials on or about any offsite storage location intended for use in, or in connection with, the Property (subject to a policy sublimit).

j. **“City”** means the City of Fort Bragg.

k. **“Claim”** means any claim, loss, cost, damage, expense, liability, Lien, action, cause of action (whether in tort, contract, under statute, at law, in equity or otherwise), charge, award, assessment, fine or penalty of any kind.

l. **“Commencement of Construction”** means the commencement by Borrower of any alteration, construction, demolition, development, expansion, reconstruction, repair, restoration, or other work affecting the Property.

m. **“Conditions Precedent to Disbursement”** has the meaning set forth in Section 204.1.

n. **“Control”** means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person and contractually bind such Person, whether by ownership of Equity Interests, by contract, or otherwise.

o. **“Construction”** means any alteration, construction, excavation, demolition, grading, development, expansion, reconstruction, redevelopment, repair, restoration, or other work affecting the Property.

p. **“Construction Contract”** means the contract to be entered into by Borrower and a licensed general contractor for the performance of the construction of the Project

on the Property.

q. “Deed of Trust” means that certain Deed of Trust executed by Borrower in substantially the form attached hereto as Attachment No. 3 that will encumber the Property to secure repayment of the Loan.

r. “Effective Date” means the date first set forth in this Agreement above.

s. “Environmental Claim” means any and all claims, demands, damages, losses, liabilities, obligations, penalties, fines, actions, causes of action, judgments, suits, proceedings, costs, disbursements and expenses, including reasonable attorney’s fees and costs and costs of environmental consultants and other experts, and all foreseeable and unforeseeable damages or costs of any kind or of any nature whatsoever, directly or indirectly, relating to or arising from any actual or alleged violation of any Environmental Law or Hazardous Substance Discharge.

t. “Environmental Document” means any exemption determination, any Negative Declaration (mitigated or otherwise) or any Environmental Impact Report (including any addendum or amendment to, or subsequent or supplemental Environmental Impact Report) required or permitted pursuant to the National Environmental Policy Act (codified as 42 U.S.C. §§ 4321 *et seq.*) or the California Environmental Quality Act (codified as Public Resources Code Sections 21000 *et seq.*), as applicable, to issue any discretionary Approval required to approve this Agreement.

u. “Environmental Law” means any Federal or California law regarding any of the following at, in, under, above, or upon the Property: (a) air, environmental, ground water, or soil conditions; or (b) clean-up, remediation, control, disposal, generation, storage, release, discharge, transportation, use of, or liability or standards of conduct concerning, Hazardous Substances, as now or may, at any later time, be in effect.

v. “GAAP” means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession), or in such other statements by such other entity as may be in general use by significant segments of the United States accounting profession, which are applicable to the circumstances as of the date of determination.

w. “Governmental Requirements” means all laws, ordinances, statutes, codes, rules, regulations, orders and decrees, of the United States, the state, the county, City, or any other political subdivision in which the Property is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over City, Borrower or the Property.

x. “Gross Revenue” means for each calendar year, all revenue, income, receipts, and other consideration actually received from the operation and leasing of the Project. Gross Revenue includes, but is not limited to: (i) all rents, fees and charges paid by tenants; (ii) Section 8 payments or other rental subsidy payments received for the dwelling units; (iii) deposits forfeited by tenants; (iv) all cancellation fees; (v) price index adjustments and any other rental adjustments to leases or rental agreements; (vi) net proceeds from vending and laundry room

machines; (vii) the proceeds of business interruption or similar insurance not paid to senior lenders; (viii) the proceeds of casualty insurance not used to rebuild the Project and not paid to senior lenders; and (ix) condemnation awards for a taking of part or all of the Project for a temporary period. Gross Revenue does not include tenants' security deposits, loan proceeds, capital contributions or similar advances.

y. “Hazardous Substance” means any flammable substances, explosives, radioactive materials, asbestos, asbestos-containing materials, polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, medical wastes, toxic substances or related materials, explosives, petroleum, petroleum products and any “hazardous” or “toxic” material, substance or waste that is defined by those or similar terms or is regulated as such under any Law, including any material, substance or waste that is: (a) defined as a “hazardous substance” under Section 311 of the Water Pollution Control Act (33 U.S.C. § 1317), as amended; (b) substances designated as “hazardous substances” pursuant to 33 U.S.C. § 1321; (c) defined as a “hazardous waste” under Section 1004 of the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, *et seq.*, as amended; (d) defined as a “hazardous substance” or “hazardous waste” under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Reauthorization Act of 1986, 42 U.S.C. § 9601, *et seq.*, or any so-called ‘superfund’ or ‘superlien’ law; (e) defined as a “pollutant” or “contaminant” under 42 U.S.C. § 9601(33); (f) defined as “hazardous waste” under 40 C.F.R. Part 260; (g) defined as a “hazardous chemical” under 29 C.F.R. Part 1910; (h) any matter within the definition of “hazardous substance” set forth in 15 U.S.C. § 1262; (i) any matter, waste or substance regulated under the Toxic Substances Control Act (“TSCA”) [15 U.S.C. Sections 2601, *et seq.*]; (j) any matter, waste or substance regulated under the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, *et seq.*; (k) those substances listed in the United States Department of Transportation (DOT) Table [49 C.F.R. 172.101]; (l) any matter, waste or substances designated by the EPA, or any successor authority, as a hazardous substance [40 C.F.R. Part 302]; (m) any matter, waste or substances defined as “hazardous waste” in Section 25117 of the California Health and Safety Code; (n) any substance defined as a “hazardous substance” in Section 25316 of the California Health and Safety Code; (o) any matter, waste, or substance that is subject to any other Law regulating, relating to or imposing obligations, liability or standards of conduct concerning protection of human health, plant life, animal life, natural resources, property or the enjoyment of life or property free from the presence in the environment of any solid, liquid, gas, odor or any form of energy from whatever source; or (p) other substances, materials, and wastes that are, or become, regulated or classified as hazardous or toxic under Law or in the regulations adopted pursuant to said Law, including manure, asbestos, polychlorinated biphenyl, flammable explosives and radioactive material. Notwithstanding the foregoing, “Hazardous Substances” shall not include such products in quantities as are customarily used in the construction, maintenance, development or management of residential developments or associated buildings and grounds, or typically used in residential activities in a manner generally used in other comparable residential developments, or substances commonly ingested by a significant population living within the Project, including, without limitation, alcohol, aspirin, tobacco and saccharine.

z. “Hazardous Substance Discharge” means any deposit, discharge, generation, release, or spill of a Hazardous Substance that occurs at on, under, into or from the Property, or during transportation of any Hazardous Substance to or from the Property, or that arises at any time from the Construction, use or operation of the Project or any activities conducted

at on, under or from the Property, whether or not caused by a Party.

aa. “**Land Use Laws**” has the meaning set forth in Section 502.

bb. “**Liability Insurance**” means commercial general liability insurance provided by an insurance carrier having a rating of Best A-7 or better against claims for bodily injury, personal injury, death, or property damage occurring upon, in, or about the Property, the Project or adjoining streets or passageways, at least as broad as Insurance Services Office Occurrence Form CG0001, with a minimum liability limit of Two Million Dollars (\$2,000,000) for any one occurrence and which may be provided through a combination of primary and excess or umbrella insurance policies. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the Project or the general aggregate limit shall be twice the required minimum liability limit for any one occurrence.

cc. “**Loan**” has the meaning set forth in Section 200.

dd. “**Loan Documents**” means the documents, instruments and agreements evidencing and securing the Loan including, but not limited to, this Agreement, the Promissory Note, the Deed of Trust and the Regulatory Agreement, and any amendments thereto as mutually agreed upon by the Parties.

ee. “**Maturity Date**” has the meaning set forth in Section 202.1.

ff. “**Official Records**” means the Official Records of the County of Mendocino, State of California.

gg. “**Operating Reserve Account**” means an account established and maintained by Borrower that is available to fund operating deficits (which is the amount by which Annual Operating Expenses exceed Gross Revenue for any period). Borrower shall capitalize the Operating Reserve Account in the amount required by the California Tax Credit Allocation Committee (“TCAC”), but not less than three months of Annual Operating Expenses; provided, however that if Borrower’s partnership agreement or the documents evidencing the one or more senior loans for the Project require the Operating Reserve Account to be capitalized and replenished in an amount greater than the TCAC requirement, Borrower shall capitalize and replenish the Operating Reserve Account as required by the partnership agreement or the documents evidencing the such loan, as applicable, for as long as the partnership agreement or such loan, as applicable, is outstanding.

ii. “**Permitted Transfers**” shall have the meaning set forth in Recital E. above.

jj. “**Person**” means any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization or other entity of any kind.

kk. “**Prevailing Wage Action**” means any of the following: (a) any

determination by the California Department of Industrial Relations that prevailing wage rates should have been paid, but were not; (b) any determination by the California Department of Industrial Relations that higher prevailing wage rates than those paid should have been paid; (c) any administrative or legal action or proceeding arising from any failure to comply with the Federal Davis-Bacon Act (codified as 40 U.S.C. §§ 3141 *et seq.*) or California Labor Code Sections 1720 through 1781, as amended from time to time, regarding prevailing wages, including maintaining certified payroll records; or (d) any administrative or legal action or proceeding to recover wage amounts at law or in equity.

ll. “**Project**” shall have the meaning set forth in Recital B, above.

mm. “**Project Documents**” means all construction and design contracts, plans and drawings, including all architectural documents, related to the Project.

nn. “**Property**” means the property located at 441 South Street, Fort Bragg, California, as described in the Legal Description of Property, attached hereto and incorporated herein as Attachment No. 1.

oo. “**Property Insurance**” means insurance providing coverage for the Property and all improvements on or to the Property against loss, damage, or destruction by fire and other hazards encompassed under the broadest form of property insurance coverage then customarily used for like properties in the County of Mendocino, in an amount equal to one hundred percent (100%) of the replacement value (without deduction for depreciation) of all improvements comprising the Project (excluding excavations and foundations) and in any event sufficient to avoid co-insurance and with no co-insurance penalty provision, with “ordinance or law” coverage. To the extent customary for like properties in the County of Mendocino at the time, such insurance shall include coverage for explosion of steam and pressure boilers and similar apparatus located on the Property; an “increased cost of construction” endorsement; and an endorsement covering demolition and cost of debris removal, all subject to policy sublimits.

pp. “Regulatory Agreement” means the Regulatory Agreement and Declaration of Restrictive Covenants (441 South Street) executed by Borrower and City pursuant dated November 1, 2020 in connection with the HEAP Loan, and to recorded on November 25, 2020, as instrument number 2020-16121 in the Official Records of Mendocino County, California, for the purpose of ensuring that the Project shall be operated as an affordable multi-family residential development as provided herein and in the Regulatory Agreement, for the full term of this Loan and the HEAP Loan, in accordance with the terms of the Agreements.

qq. “Replacement Reserve Account” means an account established and maintained by Borrower that is available for capital expenditures for repairs and replacement necessary to maintain the Project in the condition required by the Loan Documents. Borrower shall make annual deposits to the Replacement Reserve Account and replenish the Replacement Reserve Account in the amounts required in a future partnership agreement and/or the documents evidencing one or more component of the Additional Borrower Financing, whichever is greater. In no event shall the annual amount deposited in the Replacement Reserve Account exceed _____ Dollars (\$____) per unit, or such greater amount required in connection with such partnership agreement or any Additional Borrower Financing, and approved by the City.

rr. “TCAC” means the California Tax Credit Allocation Committee.

ss. “Third Person” means any Person that is not a Party, an Affiliate of a Party, or an elected official, officer, director, manager, shareholder, member, principal, partner, employee or agent of a Party.

vv. Workers Compensation Insurance. Workers compensation insurance complying with the provisions of California law and an employer’s liability insurance policy or endorsement to a liability insurance policy, with a minimum liability limit of One Million Dollars (\$1,000,000) per accident for bodily injury or disease, covering all employees of Borrower.

200. LOAN AGREEMENT

201. Loan. City hereby agrees to make a loan (the “**Loan**”) to Borrower in a total amount not to exceed **TWO MILLION TWO HUNDRED EIGHTY THOUSAND DOLLARS (\$3,250,000.00)**, which amount includes the Pre-Development Loan previously made, as described in Recital E., above, and subject to the terms and conditions of the Loan Documents.

201.1 Evidence of Loan. The Loan shall be evidenced by, and repayable in accordance with, the Amended and Restated Promissory Note (the “**Amended and Restated Promissory Note**”), in a **principal amount of Three Million Two Hundred Fifty Thousand Dollars (\$2,280,000.00)**, which amounts may be used to pay for the acquisition of the Property and construction of the Project, provided that the disbursement of the Loan shall be subject to satisfaction of certain conditions precedent as more specifically set forth in Section 204.1 of this Agreement. The Promissory Note shall be secured by the Deed of Trust. City and Borrower shall execute the Promissory Note and the Deed of Trust concurrently with the execution of this Agreement by City, and the Deed of Trust shall thereafter be immediately recorded in the Official Records.

202. Repayment of Loan.

202.1 Maturity Date. The Promissory Note, including principal and accrued interest, shall be due and payable in full fifty-five (55) years after the certificate of occupancy of the Project (the “**Maturity Date**”).

202.2 Interest Rate. The Loan Funds shall be repaid pursuant to the terms of the Amended and Restated Promissory Note, and shall bear simple interest at the rate of three percent (3%) per annum commencing on the date of the Promissory Note.

203. Use of Funds. The Loan Funds may be used only to pay costs of acquisition of the Property and construction of the Project.

204. Disbursement of Loan Funds.

204.1 Conditions Precedent to Disbursement. The Loan shall be disbursed (the “**Loan Disbursement**”) through the escrow established for closing of the Additional Borrower Financing for the acquisition of the Property by Borrower and the construction of the Project. City’s obligation to make the Loan Disbursement is conditioned upon the satisfaction or waiver by City of each and all of the conditions precedent described below (“**Conditions Precedent to Disbursement**”), which are solely for the benefit of the City, and which shall be fulfilled or waived by the time periods provided for herein. The Conditions Precedent to Disbursement include:

a. Subject to expiration of any applicable cure period, Borrower shall not be in default of any of its obligations under the terms of this Agreement.

b. Execution and delivery of the Amended and Restated Promissory Note, the Regulatory Agreement and the Deed of Trust.

c. Delivery of a binding commitment by a title insurance company acceptable to the City to issue a 1970 or 1987 ALTA LP-10 lender’s policy of Title Insurance with any endorsements the City may reasonably require, including but not limited to endorsement nos. 100, 116 and 12.5/102.7, insuring the City in the principal amount set forth in the Promissory Note, of the validity and priority of the Deed of Trust upon the Property, and liens and matters of record approved by the City in writing, and showing fee simple title to the Property in the name of the Borrower.

d. Borrower shall have provided the City with a copy of the resolution of the Borrower approving and authorizing execution of this Agreement and all documents contemplated hereby on behalf of Borrower and with such other documentation required by the City regarding Borrower’s creation, status and authority to enter into this transaction.

e. Borrower shall have provided City with a certificate showing it to be in good standing under the laws of the State of California.

f. Deposit of all funds and properly executed documents into the escrow account established for this transaction as necessary to effect the conveyance of the Property to Borrower and closing of the Approved Borrower Financing for the Project.

g. Borrower shall have satisfied all of the applicable terms and conditions set forth in this Agreement, including without limitation providing evidence that it possesses the insurance required by Section 405 of this Agreement.

h. All of the representations and warranties made by the Borrower in this Agreement and in the Promissory Note, the Deed of Trust and the Regulatory Agreement shall be true and correct in all material respects as of the date of the Disbursement.

205. City Not Liable. In no event shall City be liable to Borrower or any other party, including but not limited to any lender, contractor or subcontractor, for any damage whatsoever which may result in whole or in part from any action or inaction of City hereunder, including without limitation, failure or delay in making any disbursement of Loan funds, except to the extent of City's gross negligence or willful misconduct.

300. REPRESENTATIONS AND WARRANTIES

301. City Representations. City represents and warrants to Borrower as follows:

301.1 Authority. City has full power and authority to execute and deliver this Agreement, to execute and deliver all applicable Loan Documents and to perform and observe the terms and provisions of all of the above.

301.2 No Conflict. To the best of City's knowledge, City's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which City is a party or by which it is bound.

301.3 No Bankruptcy. City is not the subject of a bankruptcy proceeding.

301.4 No Condemnation. No condemnation proceeding or moratorium is pending or threatened against the Property or any portion thereof that would impair the use, occupancy or full operation of the Property in any manner whatsoever.

302. Borrower's Representations. To induce City to enter into the Loan and provide the Loan funds pursuant hereto, Borrower hereby makes the following representations and warranties to City. The Borrower shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Section not to be true, immediately provide written notice of such fact or condition to City.

302.1 Organization. Borrower is a limited partnership in good standing under the laws of the State of California.

302.2 Authority to Borrow. Borrower has full power and authority to execute and deliver this Agreement, to make and accept the Loan contemplated hereunder, to execute and

deliver all applicable Loan Documents and to perform and observe the terms and provisions of all of the above.

302.3 Authority of Persons Executing Documents. The applicable Loan Documents have been executed and delivered by persons who are duly authorized to execute and deliver the same for and on behalf of Borrower, and all actions required under the Borrower's organizational documents and applicable governing law for the authorization, execution, delivery and performance of the Loan Documents have been duly taken.

302.4 No Conflict. The execution, delivery and performance by Borrower of the Loan Documents to which it is a party will not (i) violate any provision of any law, statute, rule or regulation or any order, writ, judgment, injunction, decree, determination or award of any court, governmental agency or arbitrator presently in effect having applicability to Borrower or the Property; or (ii) result in a breach of or constitute a default under any indenture, loan or credit agreement or any other agreement, lease or instrument to which Borrower is a party or by which any of its properties may be bound or, except as specifically contemplated herein, result in the creation of any lien on any asset of Borrower.

302.5 Compliance with Laws; Consent and Approvals. The construction of the Project shall comply with all Governmental Requirements, including all applicable directions, rules and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency as applicable.

302.6 Valid Binding Agreement. The Loan Documents executed by Borrower constitute, or if not yet executed, will constitute when so executed, legal, valid and binding obligations of Borrower enforceable by and against it in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights of creditors generally and general principals of equity.

302.7 Pending Proceedings. Borrower is not in default under any law or regulation or under any order of any court, board, commission or agency whatsoever, and there are no claims, actions, suits or proceedings pending or, to the knowledge of Borrower, threatened against or affecting Borrower, at law or in equity, before or by any court, board, commission or agency whatsoever which might, if determined adversely to Borrower, materially and adversely affect Borrower's ability to repay the Loan or construct the Project.

302.8 Financial Statements. All financial statements and information delivered to City by or on behalf of Borrower, including information relating to the financial condition of Borrower and the Property, fairly and accurately represent the financial condition of the subject thereof and have been prepared in accordance with GAAP, consistently applied, or another sound accounting practice consistently applied as previously submitted by Borrower to City and approved by City. Borrower acknowledges and agrees that City may request and obtain additional information from third parties.

302.9 No Material Adverse Event. There has been no material adverse change in the value or physical condition of the Property or in the financial condition of Borrower since the dates of the latest financial statements of Borrower furnished to City, and except as otherwise

disclosed to City in a specified writing, Borrower has not entered into any material transaction that is not disclosed in such financial statements.

302.10 Accuracy. All reports, documents, instruments, information and forms of evidence delivered to City concerning the Loan or security for the Loan or required by the Loan Documents are accurate, correct and sufficiently complete to give City true and accurate knowledge of their subject matter and do not contain any misrepresentation or omission.

302.11 Disclosure of Information. All material information concerning the Property known to Borrower, or that should have been known to Borrower in the exercise of reasonable care, has been disclosed to City. There are no facts or information known to Borrower, or that should have been known to Borrower in the exercise of reasonable care, that would make any of the information furnished to City by Borrower inaccurate, incomplete, or misleading in any material respect.

302.12 No Condemnation. No condemnation proceeding or moratorium is pending or threatened against the Property or any portion thereof that would impair the use, occupancy or full operation of the Property in any manner whatsoever.

302.13 FIRPTA. Borrower is not a “Foreign Person” within the meaning of the Foreign Investment in Real Property Tax Act (FIRPTA), or is exempt from the provisions of FIRPTA, and Borrower has complied and will comply with all of the requirements under FIRPTA.

400. COVENANTS OF BORROWER

401. Additional Borrower’s Financing. In addition to the Loan provided for herein, the Borrower has obtained financing commitments to finance the construction of the Project (the “**Additional Borrower Financing**”) including an Infill Infrastructure Grant from the California Department of Housing and Community Development in the amount of Three Million Eight- Nine Thousand Dollars (\$3,089,000.00); and a reservation of low-income housing tax credits as follows: (annual federal tax credits for each of 10 years in the amount of One Million Seventeen Thousand Nine Hundred Nine Dollars (\$1,017,909.00); and (ii) total state tax credits of Six Million Eight Hundred Twenty-One Thousand Four Hundred Eighty-Six Dollars (\$6,821,486.00) to be taken over four (4) years. The City agrees to reasonably consider requests to subordinate this Loan Agreement, the Deed of Trust and Regulatory Agreement to Additional Borrower Financing. Further, as described in Recital C above, the City provided Borrower an additional loan in the amount of \$3,250,000.

402. Construction of Project. Once Borrower has secured the Additional Borrower Financing and satisfied all Governmental Requirements necessary to commence construction, Borrower shall complete the Project in accordance with the provisions of this Agreement and in a good and worker-like manner in accordance with sound building practices as well as all Governmental Requirements. Borrower shall comply with all existing and future Governmental Requirements and other laws, regulations, orders, building codes, restrictions and requirements of, and all agreements with and commitments to, all governmental, judicial or legal authorities having jurisdiction over the Property, including those pertaining to the construction of the Project, and with all recorded covenants and restrictions affecting the Property. In the event of any material deviations from the terms of this Agreement, unworker-like performance, the use of defective

materials, or the filing of any unapproved liens, City may order that the construction cease immediately, and Borrower agrees immediately to correct and remedy the same at its sole expense.

403. Permits, Licenses and Approvals. Borrower shall properly obtain, comply with and keep in effect all permits, licenses and approvals which are required to be obtained in order to construct the Project.

404. Notices to City. Borrower shall promptly notify City in writing of:

a. Any litigation affecting Borrower, where the amount claimed is One Hundred Thousand Dollars (\$100,000.00) or more;

b. Any communication, whether written or oral, that Borrower may receive from any governmental, judicial or legal authority, giving notice of any claim or assertion that any portion of the Property or the Project fail in any respect to comply with any Governmental Requirement;

c. Any material default by any contractor, design professional, subcontractor, material supplier or surety in the performance of its or their obligations with respect to the construction, or any material adverse change in the financial condition or operations of any of them;

d. Any material adverse change in the physical condition of the Property (including any damage suffered as a result of earthquakes or floods), or in Borrower's business condition (financial or otherwise), operations, properties or prospects, or Borrower's ability to repay the Loan; or

e. The institution of any litigation, arbitration or governmental proceeding, or the rendering of a judgment or decision in such litigation or proceeding, which may cause a material adverse effect to Borrower, the Property or the completion of the construction.

405. Insurance.

405.1 Required Insurance. Borrower shall maintain, to protect City against all insurable Claims resulting from the actions of Borrower in connection with this Agreement, the Property and the Project, at the sole cost and expense of Borrower, the following insurance (or its then reasonably available equivalent): (a) Liability Insurance; (b) Automobile Liability Insurance; (c) Property Insurance; (d) Builder's Risk Insurance; and (e) Workers Compensation Insurance.

405.2 Nature of Insurance. All Liability Insurance, Property Insurance, Workers Compensation Insurance and Automobile Liability Insurance policies required by this Agreement shall be issued by carriers that: (a) are listed in the then current "Best's Key Rating Guide—Property/Casualty—United States & Canada" publication (or its equivalent, if such publication ceases to be published) with a minimum financial strength rating of "A-" and a minimum financial size category of "XI" (exception may be made for the California Compensation Insurance Fund when not specifically rated); and (b) are authorized to do business

in California. A Party may provide any insurance under a “blanket” or “umbrella” insurance policy, provided that: (i) such policy or a certificate of such policy shall specify the amount(s) of the total insurance allocated to the Property and the Project, which amount(s) shall equal or exceed the amount(s) required by this Agreement; and (ii) such policy otherwise complies with this Agreement.

405.3 Policy Requirements and Endorsements. All insurance policies required by this Agreement shall contain (by endorsement or otherwise) the following provisions:

a. *Insured.* Liability Insurance and Automobile Liability Insurance policies shall name City or its successor in interest, as applicable, as “additional insured.” Property Insurance and Builder’s Risk Insurance policies shall name City as a “loss payee.” To the extent that Borrower has a tenant or tenants on the Property that are required to secure Liability insurance under the terms of their lease with Borrower, such tenants shall similarly name City or its successor in interest as “additional insured”, and shall list City as a “loss payee” on Property Insurance and Builder’s Risk Insurance policies as required under terms of their lease. The coverage afforded to City shall be at least as broad as that afforded to Borrower (or Borrower’s tenant, as applicable) regarding the Property and the Project and may not contain any terms, conditions, exclusions, or limitations applicable to City that do not apply to Borrower.

b. *Primary Coverage.* Any insurance or self-insurance maintained by City or its successor in interest shall be in excess of all insurance required under this Agreement and shall not contribute to any insurance required under this Agreement.

c. *Contractual Liability.* Liability Insurance policies shall contain contractual liability coverage, for Borrower’s indemnity obligations under this Agreement. Borrower’s obtaining or failure to obtain such contractual liability coverage shall not relieve Borrower from nor satisfy any indemnity obligation of Borrower under this Agreement.

d. *Deliveries to City.* Borrower shall deliver to City evidence of all insurance policies required by this Agreement as set forth in Section 505.1 and original endorsements for additional insured effecting coverage under this Agreement. Builder’s Risk Insurance shall commence prior to commencement of Construction of the Project. No later than three (3) days before any insurance required by this Agreement expires, is cancelled or its liability limits are reduced or exhausted, Borrower shall deliver to City evidence of that Party’s maintenance of all insurance this Agreement requires. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be cancelled, suspended, voided, reduced in coverage or in limits, except after thirty (30) calendar days” advance written notice of such action has been given to City by certified mail, return receipt requested; provided, however, that thirty (30) days advance written notice shall be required for any such action arising from non-payment of the premium for the insurance. Phrases such as “endeavor to” and “but failure to mail such Notice shall impose no obligation or liability of any kind upon the company” shall not be included in the cancellation wording of any certificates or policies of insurance applicable to City pursuant to this Agreement.

e. *Waiver of Certain Claims.* Borrower shall cause each insurance carrier providing any Liability Insurance, Builder’s Risk Insurance, Worker’s Compensation Insurance, Automobile Liability Insurance or Property Insurance coverage under this Agreement to endorse

their applicable policy(ies) with a Waiver of Subrogation with respect to City, if not already in the policy. To the extent that Borrower obtains insurance with a Waiver of Subrogation, the Parties release each other, and their respective authorized representatives, from any Claims for damage to any Person or property to the extent such Claims are paid by such insurance policies obtained pursuant to and in satisfaction of the provisions of this Agreement.

f. *No Claims Made Coverage.* None of the insurance coverage required under this Agreement may be written on a claims-made basis.

g. *Fully Paid and Non-Assessable.* All insurance obtained and maintained by Borrower pursuant to this Section 505 shall be fully paid for and non-assessable. However, such insurance policies may be subject to insurer audits.

h. *City Option to Obtain Coverage.* During the continuance of a Default arising from the failure of Borrower to carry any insurance required by this Agreement, City may, at its sole option, purchase any such required insurance coverage and City shall be entitled to immediate payment from the defaulting Party of any premiums and associated reasonable costs paid by City for such insurance coverage. Any amount becoming due and payable to City under this Section 505 that is not paid within fifteen (15) calendar days after written demand from City for payment of such amount, within an explanation of the amounts demanded, will bear interest from the date of the demand at the rate of eight percent (8%) per annum or the maximum interest rate allowed by applicable law, whichever is less. Any election by City to purchase or not to purchase insurance otherwise required by the terms of this Agreement to be carried by any Party shall not relieve that Party of its obligation to obtain and maintain any insurance coverage required by this Agreement.

i. *Separation of Insured.* All Liability Insurance and Automobile Liability Insurance shall provide for separation of insured for Borrower and the City. Insurance policies obtained in satisfaction of or in accordance with the requirements of this Agreement may provide a cross-suits exclusion for suits between named insured persons, but shall not exclude suits between named insured persons and additional insured persons.

j. *Deductibles and Self-Insured Retentions.* Any deductibles or self-insured retentions under insurance policies required by this Agreement shall be declared to and approved by City. Borrower shall pay all such deductibles or self-insured retentions regarding City or, alternatively, the insurer under each such insurance policy shall eliminate such deductibles or self-insured retentions with respect to City.

k. *No Separate Insurance.* Borrower shall carry separate or additional insurance concurrent in form or contributing in the event of loss with that required under this Agreement, unless City is made an additional insured thereon, as required by this Agreement.

l. *Insurance Independent of Indemnification.* The insurance requirements of this Agreement are independent of the Parties' indemnification and other obligations under this Agreement and shall not be construed or interpreted in any way to satisfy, restrict, limit, or modify the Parties' indemnification or other obligations or to limit the Parties' liability under this Agreement, whether within, outside, or in excess of such coverage, and regardless of solvency or insolvency of the insurer that issues the coverage; nor shall the provision of such insurance

preclude City from taking such other actions as are available to it under any other provision of this Agreement or otherwise at law or in equity.

406. Indemnity.

406.1 Borrower Indemnity Obligations. Subject to Section 23 of the Amended and Restated Promissory Note, Borrower shall indemnify City against any claim to the extent such claim arises from any wrongful intentional act or negligence of Borrower. Borrower shall also indemnify City against any and all of the following: (a) any application made by or at Borrower's request; (b) any agreements that Borrower (or anyone claiming by or through Borrower) makes with a Third Person regarding the Property or the Project; (c) any workers compensation claim or determination relating to any employee of Borrower or their contractors; (d) any Prevailing Wage Action relating to this Agreement or the Project; and (e) any Environmental Claim attributable to any action or failure to act by Borrower. Borrower assumes the risk of delays and damages that may result to Borrower from any Third Person legal actions related to City's approval of this Agreement or any associated approvals, even in the event that an error, omission or abuse of discretion by City is determined to have occurred. If a Third Person files a legal action regarding City's approval of this Agreement or any associated approval (exclusive of legal actions alleging violation of Government Code Section 1090 by elected officials of City), Borrower shall indemnify City against such Third Person legal action, including all legal costs, monetary awards, sanctions, attorney fee awards, expert witness and consulting fees, and the expenses of any and all financial or performance obligations resulting from the disposition of the legal action. City shall reasonably cooperate in its defense in any legal action subject to this Section 406 subject to Borrower's indemnity obligations for such legal action. Nothing contained in this Section 406 is intended to be nor shall be deemed or construed to be an express or implied admission that City may be liable to Borrower or any other party for damages or other relief regarding any alleged or established failure of City to comply with any law. Any legal action that is subject to this Section 406 (including any appeal periods and the pendency of any appeals) shall constitute an Enforced Delay and the time periods for performance by any Party under this Agreement may be extended pursuant to the provisions of this Agreement in Section 803.

406.2 Independence of Insurance Obligations. The indemnification obligations made by Borrower under this Agreement shall not be construed or interpreted as in any way restricting, limiting, or modifying Borrower insurance or other obligations under this Agreement. Borrower's obligation to indemnify City under this Agreement is independent of Borrower's insurance and other obligations under this Agreement. Borrower's compliance with its insurance obligations and other obligations under this Agreement shall not in any way restrict, limit, or modify Borrower's indemnification obligations under this Agreement and are independent of Borrower's indemnification and other obligations under this Agreement.

406.3 Survival of Indemnification and Defense Obligations. The indemnity and defense obligations of the Parties under this Agreement shall survive the expiration or earlier termination of this Agreement, until any and all actual or prospective claims regarding any matter subject to an indemnity obligation under this Agreement are fully, finally, absolutely and completely barred by applicable statutes of limitations.

406.4 Indemnification Procedures. Wherever this Agreement requires any Party to indemnify the other Party:

a. *Prompt Notice.* The indemnifying Party shall promptly notify the other Party of any claim.

b. *Selection of Counsel.* The indemnifying Party shall select counsel reasonably acceptable to the other Party. Counsel to indemnifying Party's insurance carrier that is providing coverage for a claim shall be deemed reasonably satisfactory, except in the event of a potential or actual conflict of interest for such counsel regarding such representation or such counsel proves to be incompetent regarding such representation. Even though the indemnifying Party shall defend the claim, the other Party may, at its option and its own expense, engage separate counsel to advise it regarding the claim and its defense. The other Party's separate counsel may attend all proceedings and meetings. The indemnifying Party's counsel shall actively consult with the other Party's separate counsel. The indemnifying Party's counsel shall, however, control the defense, except to the extent that the other Party waives its rights to indemnity and defense of such Claim.

c. *Cooperation.* The other Party shall reasonably cooperate with the indemnifying Party's defense of the other Party.

d. *Settlement.* The indemnifying Party may only settle a claim without the consent of other Party, if the claim is within the policy limits of applicable insurance policies provided in satisfaction of the requirements of this Agreement and such settlement procures a release of other Party from the subject claims, does not require other Party to make any payment to the claimant and neither the indemnified Party nor indemnifying Party on behalf of the indemnified Party admits any liability.

e. *Insurance Proceeds.* The indemnifying Party's obligations shall be reduced by any net insurance proceeds actually received by the other Party for the matter giving rise to the indemnification obligation.

407. Financial Statements and Reports. Borrower shall furnish to City, on an annual basis on or before the anniversary of the execution of the Initial Promissory Note, the financial statements of Borrower, which may be internally prepared, on a consolidating and consolidated basis and in conformity with GAAP, consisting of at least statements of income, cash flow, changes in financial position and stockholders' equity, and a consolidated balance sheet, setting forth in each case in comparative form corresponding figures from the previous financial statements delivered to City pursuant to this Section.

408. Books and Records. Borrower shall maintain on a current basis complete records pertinent to expenditures incurred under this Agreement, including books of original entry, source documents supporting accounting transactions, service records, a general ledger, canceled checks, and related documents and records to assure proper accounting of funds and performance under this Agreement, for a period of three (3) years after the termination of all activities funded under this Agreement, or after the resolution of all Federal audit findings, whichever occurs later. Records for non-expendable property acquired with funds under this Agreement shall be retained for three (3) years after final disposition of such property. Records for any displaced person must be kept

for three (3) years after he/she has received final payment. Such records shall be kept in a form approved by City. Borrower shall furnish any and all information and reports which may be required by City and the U.S. Department of Housing and Urban Development (HUD). Borrower shall permit access to books, records and accounts by City or its representatives and employees and by HUD, for the purposes of investigation to ascertain compliance with all applicable rules, regulations and orders, and for the purpose of evaluating and monitoring Borrower's performance and compliance with the provisions of this Agreement.

409. Compliance. Borrower shall comply and shall cause the Property and Project to comply at all times in all material respects with all Governmental Requirements to which they may be subject.

500. DEVELOPMENT OF PROJECT

501. Project Entitlements. Borrower acknowledges and agrees that the Project shall be subject to the City's zoning, building and land use regulations (whether contained in ordinances, the municipal code of the City, conditions of approval or elsewhere) (collectively, "**Land Use Laws**"). No action by City with reference to this Agreement or any related documents shall be deemed to constitute a waiver of any Land Use Laws required for the construction of the Project as applicable to Borrower, any successor in interest of Borrower, or any successor in interest to the ownership, use or occupancy of the Property. Land Use Laws may only be changed or waived by modification or variance approved by the City.

502. Cost of Construction Work. All cost and expense in performing the construction of the Project, and for all materials and equipment related thereto, shall be borne solely by Borrower.

503. Licensed General Contractor. The Construction Work must be performed by a licensed general contractor approved by City in writing, which approval City shall not unreasonably withhold.

504. Construction Contract. The licensed contractor(s) selected by Borrower, and approved by City under Section 503, shall perform the Construction Work pursuant to a construction contract (the "**Construction Contract**") entered into by and between the applicable Borrower and contractor. The Construction Contract must be approved by City in writing, which approval shall not be unreasonably withheld, prior to the Commencement of Construction.

505. Permits and Approvals. Before Commencement of Construction, and except with respect to any contemplated or necessary demolition activities, Borrower shall secure or cause to be secured any and all land use and other entitlements, permits and approvals which may be required pursuant to any Governmental Requirements related to construction of the Project. City staff will work cooperatively with Borrower to assist in coordinating the expeditious processing and consideration of all necessary permits, entitlements and approvals.

506. Anti-Discrimination. Borrower, for itself and its successors and assigns, agrees that, in performing the construction of the Project, it shall not discriminate against any employee or applicant for employment because of race, color, sexual orientation and/or gender identity, creed, religion, ancestry, political affiliation or opinion, national origin, sex, physical condition,

medical condition, pregnancy or pregnancy-related condition, or condition of physical or mental disability or other handicap, age, marital status, military or veterans status, or status with regard to public assistance. Borrower will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

600. USE AND MAINTENANCE OF THE PROPERTY; NONDISCRIMINATION; RIGHTS OF SECURITY FINANCING HOLDERS

601. Restrictive Covenants. Borrower covenants and agrees for itself, its successors, assigns, and every successor in interest to devote the Property to an affordable housing project in accordance with the terms of the Regulatory Agreement and this Agreement for the period of time specified therein. The foregoing covenant shall run with the land.

602. Maintenance of the Property. For the period of time set forth in Section 606, Borrower shall keep the Property in good condition, order and repair and shall not commit waste or permit impairment, demolition or deterioration of the Property; shall comply with all applicable state and federal regulations addressing the physical condition of the Property and buildings located on the Property and all applicable standards of the City including but not limited to building standards, planning regulations, and utilities code; shall complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed and to pay when due all claims for labor performed and materials furnished; shall maintain the buildings in a habitable condition; and do all other acts which from the character or use of the Property may be reasonably necessary. City shall have the right to inspect the Property during normal business hours, provided Borrower and the occupant are given at least seventy-two (72) hours written notice prior to any such inspection.

603. Property Management Agreement/Plans. Borrower covenants that it shall maintain (i) a comprehensive management plan for the Project, including a fair housing component; and (ii) a reputable and experienced property manager who is experienced in managing affordable housing projects (“**Designated Property Manager**”) for management of the Project. The management plan, Designated Property Manager, and property management agreement must be approved by the City, in its reasonable discretion. The City hereby approves Danco Property Management as the initial Designated Property Manager. Any changes in the Designated Property Manager or modifications or amendment to the management plan or the property management agreement shall be subject to review and approval by the City. Borrower shall provide City with the name, title and necessary contact information for the Designated Property Manager who may be contacted at any time, and update such information whenever necessary. If in City’s commercially reasonable judgment, the Designated Property Manager is not performing in a manner consistent with the terms of this Covenant, then City may notify Borrower, and Borrower, City and the Designated Property Manager shall meet to discuss the

Designated Property Manager's performance and the actions needed so the terms of this Agreement are complied with.

604. Tenant Leases. Borrower shall submit its proposed form of lease for review by City and may use approved standard residential lease forms if the following conditions are met:

604.1 Borrower, acting in good faith and exercising due diligence, determines that each residential tenant qualifies an eligible household in the appropriate income category for the applicable unit, as shall be more specifically set forth in the Regulatory Agreement;

604.2 If the Project receives and allocation of low income housing tax credits, the lease meets the standards required by Section 42 of the Internal Revenue Code;

604.3 The lease meets the requirements of the City, the tax credit investor and any other lender on the Project; and

604.4 City receives a copy of the executed lease within 15 days of written request to Borrower.

605. Obligation to Refrain from Discrimination.

605.1 Borrower will not discriminate against any employee or applicant for employment because of race, color, sexual orientation and/or gender identity, creed, religion, ancestry, political affiliation or opinion, national origin, sex, physical condition, medical condition, pregnancy or pregnancy-related condition, or condition of physical or mental disability or other handicap, age, marital status, military or veterans status, or status with regard to public assistance. Borrower will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

605.2 Borrower agrees that there shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, sexual orientation and/or gender identity, creed, religion, ancestry, political affiliation or opinion, national origin, sex, physical condition, medical condition, pregnancy or pregnancy-related condition, or condition of physical or mental disability or other handicap, age, marital status, military or veterans status, or status with regard to public assistance in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Borrower itself or any person claiming under or through Borrower, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property.

606. Rights of Access. For the purposes of assuring compliance with this Agreement, representatives of the City shall have the reasonable right of access to the Property without charges or fees for the purpose of inspection of the Property as to maintenance of the improvements thereon. Such representatives of the City shall be those who are so identified in

writing by the City Manager, or his/her designee.

607. Effect and Duration of Covenants. Commencing with the date the Regulatory Agreement is recorded on the Property, the covenants contained in Sections 601 and 602 of this Agreement shall remain in effect for fifty-five (55) years from the issuance of a certificate of occupancy for the twenty-three (23) senior residential cottages, twenty-five (25) workforce/family residential units and twenty (20) supportive housing units. The covenants against discrimination contained in Section 603 of this Agreement shall remain in effect in perpetuity. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding on the part of the Borrower and any successors and assigns to the Property or any part thereof, and the tenants, lessees, sublessees and occupants of the Property, for the benefit of and in favor of the City and any successor in interest thereto.

608. Subordination. The City shall subordinate the obligations of this Agreement and the Note, Deed of Trust and Regulatory Agreement to construction or permanent financing obligations for the Project. Borrower and City shall cooperate in the execution of any such subordination agreement required to perfect such subordinations. Notwithstanding anything to the contrary contained in the Loan Documents, Borrower may refinance that certain senior lien construction and permanent financing provided to Borrower by the California Municipal Finance Authority, on or about the date of this Agreement (the “**Senior Indebtedness**”), without the prior written consent of City (the “**Refinanced Indebtedness**”), and City hereby agrees to subordinate the Loan and all documents securing or evidencing the Loan including, but not limited to, the Deed of Trust and the Regulatory Agreement to the Refinanced Indebtedness and the lien of any deed of trust or mortgage securing the Refinanced Indebtedness, provided that the principal balance of the Refinanced Indebtedness does not exceed the then-outstanding principal balance of the Senior Indebtedness plus the costs of refinancing the Senior Indebtedness.

700. DEFAULTS AND REMEDIES

701. Default. A party to this Agreement shall be in default if it fails to perform or satisfy any obligation or requirement set forth (A) herein after thirty (30) days of receiving written Notice from the non-defaulting party of such default, provided that in the case of a default that cannot with reasonable diligence be cured within thirty (30) days after the effective date of such Notice, such thirty (30) day period shall automatically be extended if and only for so long as Borrower does all of the following: (i) within thirty (30) days after Notice of such default, advise the City of the intention of Borrower to take all reasonable steps to cure such default; (ii) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (iii) complete such cure within a reasonable time under the circumstances; or (B) under any applicable Loan Document after any applicable cure period. The limited partner of Borrower shall have the right, but not the obligation, to effect a cure on behalf of Borrower within the cure periods afforded to Borrower as set forth herein, and City shall accept such cure as if it had been made by Borrower.

702. Remedies.

702.1 City. Upon default by Borrower subject to applicable notice and cure periods, City shall not be obligated to disburse any Loan proceeds pursuant to this Agreement

and Borrower shall immediately remit to City all cost and expense, interest and principal due City under the Amended and Restated Promissory Note. Further, in the event of a default prior to the close of escrow on the Additional Borrower Financing and failure to cure, Borrower shall deposit with the City and assign to the City for the City's use, all contracts, documents, reports, surveys, materials, architectural drawings and specifications, and any information related to the Project. City shall have the right to accept or reject any of the foregoing and shall not be liable under any of the foregoing contracts unless the City accepts the contracts in writing.

702.2 Borrower. Upon default by City, Borrower's sole remedy for such breach shall be to institute an action at law or equity to seek specific performance of the terms of this Agreement. Borrower shall not be entitled to recover damages for any default by City hereunder. Such legal actions must be instituted in the Superior Court of the County of Mendocino, State of California, or in the United States District Court for the District of California in which Mendocino County is located.

703. Rights and Remedies Cumulative. The rights and remedies of City hereunder are cumulative, and the exercise by City of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default caused by Borrower.

800. GENERAL PROVISIONS

801. Notices. Any notice required or authorized under this Agreement, or service of process, shall be effective if, and only if, in writing and if, and only if, personally served or mailed, postage prepaid, by registered or certified mail, to the party in question at the address shown below:

Borrower: Fort Bragg Street South, L.P.
5251 Ericson Way
Arcata, California 95521

And a copy to: c/o Red Stone Equity Partners
1100 Superior Avenue, Suite 1640
Cleveland, OH 44114
Attn: General Counsel

Bocarsly Emden Cowan Esmail & Arndt LLP
633 W. 5th Street, 64th Floor
Los Angeles, CA 90017
Attn: Kyle Arndt, Esq.

City : City of Fort Bragg
416 North Franklin Street
Fort Bragg, CA 95437
Attn: Peggy Ducey, City Manager

An address set forth in this Section may be changed by the respective party providing the other party with written notice indicating the new address for purposes of this Section.

802. Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

803. Enforced Delay; Extension of Times for Performance. In addition to specific provisions of this Agreement, performance by a party hereunder shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, where delays or defaults are due to: war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; inability to secure necessary labor, materials or tools; acts or omissions of the other party; acts or failures to act of City or any other public or governmental agency or entity (other than the acts or failures to act of City which shall not excuse performance by City); or any other cause beyond the control or without the fault of the party claiming an extension of time to perform. Notwithstanding anything to the contrary in this Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the mutual agreement of City and Borrower. Notwithstanding any provision of this Agreement to the contrary, the lack of funding to complete the construction of the Project on the Property shall not constitute grounds of enforced delay pursuant to this Section.

804. Transfers of Interest in Property or Agreement.

804.1 Prohibition. The qualifications and identity of Borrower are of particular concern to City. It is because of those unique qualifications and identity that City has entered into this Agreement with Borrower. Borrower shall not transfer, assign, sell or grant any interest in this Agreement or any portion of the Property except as expressly set forth herein.

804.2 Permitted Transfers. City approval of a transfer of this Agreement or an interest in the Property, or any part thereof, shall not be required in connection with any of the following transfers (“**Permitted Transfers**”):

(a) The conveyance or dedication of any portion of the Property to City or other appropriate governmental agency, or the granting of easements or permits, to facilitate the construction of the Project;

(b) Any requested assignment for purposes of financing the construction of improvements upon the Property;

(c) Any mortgage, deed of trust, or other form of conveyance for all or any portion of the Approved Financing, but Borrower shall notify City in advance of any such

mortgage, deed of trust or other form of conveyance for financing pertaining to the Property;

(d) Any mortgage, deed of trust or other form of conveyance for restructuring or refinancing of any amount of indebtedness described in subsection (c) above;

(e) A sale or transfer resulting from or in connection with a reorganization as contemplated by the provisions of the Internal Revenue Code of 1986, as amended or otherwise, in which the ownership interests of a corporation are assigned directly or by operation of law to a person or persons, firm or corporation which acquires the control of the voting capital stock of such corporation or all or substantially all of the assets of such corporation;

(f) (A) Sale, transfer, conveyance or pledge of limited partnership interests in the Borrower, or (B) the removal of a general partner of Borrower by Borrower in accordance with Borrower's Partnership Agreement and the appointment by the partners of the Borrower of an additional or substitute general partner in accordance with the partnership agreement of the Borrower; provided the Borrower delivers prior written notice thereof to the City, and such additional or substitute general partner shall be subject to the approval of the City, which approval shall not be unreasonably withheld, provided that such approval shall not be required if the substitute general partner is an Affiliate of the limited partner of the Borrower;

(g) The transfer (A) of an interest in and/or of a partner in the Borrower to another existing partner of the Borrower, or (B) of an interest in a general partner of the Borrower to an Affiliate of any general partner, or (C) of an interest in a general partner of the Borrower so long as such transfer, together with any prior transfer of an interest or interests in such general partner, do not result in more than forty-nine percent (49%) of the interest in such general partner having been transferred since the date hereof;

(h) The lease of residential units at the Project to qualified tenants;

(i) Transfer of the Project, Property or partnership interests in the Borrower to a general partner of the Borrower or an Affiliate thereof at the end of the fifteen year tax credit initial compliance period;

(j) The transfer of the partnership interest of the limited partner of the Borrower to another party, or the redemption of the limited partner of the Borrower's interest in the Borrower provided that, prior to any such transfer, limited partner of the Borrower has paid in full its capital contribution to the Borrower as and to the extent required in the Borrower's partnership agreement; and

(k) The Transfer of the Project and/or Property to a limited partnership in which Borrower or its affiliate acts as a general partner;

In the event of a transfer by Borrower under subparagraphs (a) through (k), inclusive except for subparagraph (h), above, not requiring City's prior approval, Borrower nevertheless agrees that at least ten (10) days prior to such assignment it shall give written notice to City of such transfer and satisfactory evidence that the transferee has assumed the obligations of this Agreement, if applicable.

805. Relationship Between City and Borrower. It is hereby acknowledged that the

relationship between City and Borrower is not that of a partnership or joint venture and that City and Borrower shall not be deemed or construed for any purpose to be the agent of the other. Accordingly, except as expressly provided herein, City shall have no rights, powers, duties or obligations with respect to the development, operation, maintenance or management of the Property. Borrower agrees to indemnify, hold harmless and defend City from any claim made against City arising from a claimed relationship of partnership or joint venture between City and Borrower with respect to the development, operation, maintenance or management of the Property.

806. No Third Party Beneficiaries. This Agreement is made for the sole protection of City and Borrower and their respective permitted successors and assigns, and no other person or persons shall have any right of action hereon, nor should any laborer, materialman, subcontractor, or other third party rely upon the funds deposited hereunder as a source of payment for work done or labor and/or materials supplied in respect to the improvements contemplated hereunder or otherwise, notwithstanding any representation to the contrary made by Borrower or any other person. This Agreement and the other Loan Documents contain all of the terms and conditions agreed to by Borrower, and no other agreement regarding the subject matter of this Agreement, unless it is in writing and signed by the City and Borrower, shall be deemed to exist or to bind any party hereto.

807. Signs. During the construction of the Project on the Property City may place or require to be placed signs upon the Property, for public display, stating City is providing financing for the development.

808. City Implementation. The City shall implement this Agreement through its City Manager. The City Manager is hereby authorized by the City to issue approvals, interpretations, waivers and enter into certain amendments to this Agreement on behalf of the City, to the extent that any such action(s) does/do not increase the obligations or liabilities of the City. All other actions shall require the consideration and approval of the City Council. Nothing in this Section shall restrict the submission to the City Council of any matter within the City Manager's authority under this Section, in the City Manager's sole and absolute discretion, to obtain the City Council's express and specific authorization on such matter. The specific intent of this Section is to authorize certain actions on behalf of the City by the City Manager, but not to require that such actions be taken by the City Manager, without further consideration by the City Council.

809. Counterparts. This Agreement may be executed in any number of counterparts and by different signatories hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument, for the same effect as if all signatories hereto had signed the same signature page. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more additional signature pages.

810. Integration. This Agreement and the Loan Documents contain the entire understanding between the parties relating to the transaction contemplated by this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into the Loan Documents and shall be of no further force or effect. Each party is entering into the Loan Documents upon the representations set forth in the Loan Documents and

upon each party's own independent investigation of any and all facts such party deems material.

811. Titles and Captions. Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement or of any of its terms. Reference to section numbers are to sections in this Agreement, unless expressly stated otherwise.

812. Interpretation. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Agreement shall be interpreted as though prepared jointly by both parties.

813. No Waiver. City may at any time and from time to time waive any one or more of the terms or conditions contained in this Agreement, but any such waiver shall be deemed to be made pursuant to this Agreement and not in modification thereof, and any such waiver in any instance or under any particular circumstances shall not be construed a waiver of such term or condition or of any subsequent default. In order to be effective, all such waivers must be in writing. The failure of City to promptly exercise its rights or remedies shall not be deemed to be a waiver or grounds for the claim of estoppel.

814. Modifications. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

815. Severability. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

816. Incorporation of Recitals. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth in full.

817. Incorporation of Attachments. All attachments referenced in this Agreement are hereby incorporated into this Agreement by this reference.

818. Legal Advice. Each party represents and warrants to the other the following: they have carefully read the Loan Documents, and in signing the Loan Documents, they do so with full knowledge of any right which they may have; they have received independent legal advice from their respective legal counsel as to the matters set forth in the Loan Documents, or have knowingly chosen not to consult legal counsel as to the matters set forth in the Loan Documents; and, they have freely signed the Loan Documents without any reliance upon any agreement, promise, statement or representation by or on behalf of the other party, or their respective agents, employees, or attorneys, except as specifically set forth in the Loan Documents, and without duress or coercion, whether economic or otherwise.

819. Time of Essence. Time is expressly made of the essence with respect to the performance by City and Borrower of each and every obligation and condition of the Loan

Documents.

820. Cooperation. Each party agrees to cooperate with the other in this transaction and, in that regard, shall execute any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement including, but not limited to, releases or additional agreements.

821. Conflicts of Interest. No member, official or employee of City shall have any personal interest, direct or indirect, in the Loan Documents, nor shall any such member, official or employee participate in any decision relating to the Loan Documents which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

822. Time for Acceptance of Agreement. This Agreement, when executed by Borrower and delivered to City, must be authorized, executed and delivered by City on or before forty-five (45) days after signing and delivery of this Agreement by Borrower or this Agreement shall be void, except to the extent that Borrower shall consent in writing to a further extension of time for the authorization, execution and delivery of this Agreement.

823. Agreement Binding. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

824. Non-Liability of Officials and Employees of City. No member, official or employee of City shall be personally liable to Borrower, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Borrower or its successors, or on any obligations under the terms of the Loan Documents. Borrower hereby waives and releases any claim it may have against the members, officials or employees of City with respect to any default or breach by City or for any amount which may become due to Borrower or its successors, or on any obligations under the terms of the Loan Documents. Borrower makes such release with full knowledge of Civil Code Section 1542 and hereby waives any and all rights thereunder to the extent of this release, if such Section 1542 is applicable. Section 1542 of the Civil Code provides as follows:

“A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her, will have materially affected his or her settlement with the debtor or released party.”

[Signatures to appear on the following page.]

IN WITNESS WHEREOF, City and Borrower have executed this Agreement on the respective dates set forth below.

CITY:

Date: _____

CITY OF FORT BRAGG, a municipal corporation

By: _____

City Manager

Attest:

City Clerk

Approved as to Form:

City Attorney

-AND-

Date: _____

BORROWER:

Fort Bragg South Street LP,
a California Limited Partnership

By: Community Revitalization and Development
Corporation,
a California nonprofit public benefit corporation,
Its Managing General Partner

By: _____
David Rutledge, President

By: Johnson & Johnson Investments, LP,
a California limited liability company,
Its Administrative General Partner

By: _____
Daniel J. Johnson, Managing Member

By: Danco Communities, a California Corporation
Its Co-Administrative General Partner

By: _____
Daniel J. Johnson, President

ATTACHMENT NO. 1

LEGAL DESCRIPTION

For APN/Parcel ID(s): 018-340-04-00 and 018-340-06-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FORT BRAGG, COUNTY OF MENDOCINO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

That certain real property situated in the City of Fort Bragg, County of Mendocino, State of California and being a portion of Sections 7 and 18, Township 18 North, Range 17 West, Mount Diablo Meridian, more particularly described as follows:

Commencing at the section corner common to Sections 1 and 12, Township 18 North, Range 18 West and Sections 6 and 7, Township 18 North, Range 17 West, Mount Diablo Meridian; thence East, 2,670 feet; thence South 5,310 feet; thence West 320 feet to the true point of beginning (said true point of beginning also being the North corner common to Lots 70 and 71 of Union Lumber Company Suburban Lots as shown on that certain Record of Survey Map filed for record February 3, 1967 in Map Case 2, Drawer 8, Page 22, Mendocino County Records).

Thence from said point of beginning and along exterior boundaries of the following described parcel, North 88° 40' 20" West, 320.00 feet to the Northwest corner of said Lot 71; thence along the Westerly line of said Lot 71, South 01° 19' 40" West, 511.40 feet to the Southwest corner of said Lot 71 and the Northerly line of South Street; thence along the Southerly line of said Lot 71 and Lot 70 and said Northerly line of South Street, South 71° 44' 00" East, 341.01 feet; thence leaving said Northerly line of South Street, North 22° 28' 54" East, 297.48 feet; thence South 88° 40' 20" East, 206.42 feet to a point on the Easterly line of the lands of Joe J. Rossi as shown on aforesaid Record of Survey Map; thence along said Easterly line, North 43° 12' 00" East, 287.91 feet; thence North 00° 40' 20" West, 119.00 feet to the North line of said lands of Joe J. Rossi and the Northerly line of said Lot 70; thence along said Northerly line of said Lot 70, North 88° 40' 20" West, 508.00 feet to the true point of beginning.

The above legal description is pursuant to the City of Fort Bragg Lot Line Adjustment #1-94. This Lot Line Adjustment was completed of record by Quitclaim Deed dated March 19, 1994 and recorded May 23, 1994 in Book 2177, Page 587, Mendocino County Records.

PARCEL TWO:

That part of the North one half (N1/2) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Township Eighteen (18) North, Range Seventeen (17) West, M.D.B.&M., particularly described as follows: to wit:

Commencing at the Southwesterly corner of Lot Seven One (71) of a certain Subdivision in said North one half (N1/2) of Northwest Quarter (N1/4) of said Section Eighteen (18) Township Eighteen (18) North, Range Seventeen (17) West for the point of beginning; thence around the piece or parcel of land to be conveyed by the following courses and distances:

Northerly and along the Westerly boundary line of said Lot Seventy-One (71) five hundred (500) feet more or less to the Northerly boundary line of Lot Seventy-One (71); thence Westerly twenty (20) feet to the Easterly boundary line of Lot Seventy-Two (72); thence Southerly and along the Easterly boundary line of Lot Seventy-Two (72) five hundred (500) feet more or less, to the Southerly boundary line of Lot Seventy-Two (72); thence Easterly and along the Northerly boundary line of a certain lane, or road, twenty (20) feet, more or less, to the point of beginning.

PARCEL THREE:

A non-exclusive easement for ingress, egress and other purposes as more particularly described and set forth in that certain document entitled "Access Easement Agreement" recorded concurrently herewith as Instrument No. 2020-16115 of Official Records.

ATTACHMENT NO. 2

**PROMISSORY NOTE
(441 South Street – PLHA Loan)**

\$2,280,000.00

, 2023
Fort Bragg, California

1. FUNDAMENTAL PROVISIONS.

This Promissory Note is executed by Borrower in the amount of Two Million Two Hundred Eighty Thousand Dollars (\$2,280,000.00) in favor of Lender, in connection with the award of Permanent Local Housing Allocation (“PLHA”) funds from the California Department of Housing and Community Development (“HCD”). The following terms will be used as defined terms in this Secured Promissory Note (as it may be amended, modified, extended, and renewed from time to time, this "Note"):

Lender/Payee:	City of Fort Bragg, a California municipal corporation.
Borrower/Maker:	Fort Bragg South Street LP, a California limited partnership
Principal Amount:	Two Million Two Hundred Eighty Thousand and 00/100 Dollars (\$2,280,000.00).
Interest Rate:	Three percent (3%) per annum simple interest.
Default Interest Rate:	Six percent (6%) per annum.
Maturity Date:	Fifty-five (55) years from the date of receipt of a Certificate of Occupancy for the Project unless the Maturity Date is accelerated as otherwise provided in this Note.
Business Day:	Any day of the year other than Saturdays, Sundays and legal holidays on which Lender's main office at 416 North Franklin Street, Fort Bragg, CA 95437, is closed.
Deed of Trust:	That certain Deed of Trust, Assignment of Rents Security Agreement and Fixture Filing of even date herewith executed by Borrower, as "Trustor," for the benefit of Lender, as "Beneficiary".
Loan Documents:	The Standard Agreement, this Note, the Deed of Trust, the Regulatory Agreement, and all other documents securing the repayment of the Note, and instruments executed by the Borrower.

Loan:	The loan from Lender to Borrower in the Principal Amount and evidenced by this Note and/or the Loan Documents.
Standard Agreement:	That certain Standard Agreement No. 21-PLHACOM-17075 between Lender, Danco Communities, and Community Revitalization and Development Corporation dated September 15, 2022.
Regulatory Agreement:	The covenant to be executed by Maker in favor of HCD reflecting the Use Restrictions set forth in the Standard Agreement.

2. PROMISE TO PAY.

For value received, Borrower promises to pay to the order of Lender, at its office at 416 North Franklin Street, Fort Bragg, CA 95437, or at such other place as the Lender hereof may from time to time designate in writing, the Principal Amount together with interest thereon, and all other sums due under and secured by the Deed of Trust or by any other Loan Documents.

3. REPAYMENT.

(a) This Note shall be due and payable in full on the Maturity Date. No other regular payments of principal or interest shall be otherwise payable hereunder.

(b) Prior to any sale of all or any portion of the Project or refinancing of all or any portion of the outstanding debt from the Project, and so long as there is any outstanding amount due and owing under this Note, Borrower shall notify Lender of any such proposed or intended sale or refinancing. In such event, Borrower and Lender shall meet and confer, and shall use good faith efforts, to determine the feasibility of the payoff or restructuring of the remaining balance owing under this Note as part of any such sale or refinancing in order to provide for repayment of this Note sooner than the 55-year repayment period.

Notwithstanding anything in this Note or the Agreement to the contrary, the entire outstanding amount due under this Note, including principal and all accrued and unpaid interest, may, at the option of the Lender, become immediately due and payable upon the occurrence of an event of default under the Standard Agreement, this Note, the Deed of Trust, or the Regulatory Agreement, after expiration of any applicable cure period.

4. PREPAYMENT.

(a) Borrower may prepay the Loan, in whole or in part, at any time and from time to time without premium or penalty.

(b) In no event shall Borrower be entitled to re-borrow any amounts prepaid.

5. LAWFUL MONEY.

Principal and interest are payable in lawful money of the United States of America.

6. APPLICATION OF PAYMENTS/LATE CHARGE.

(a) All prepayments shall be applied to the indebtedness owing hereunder in such order and manner as Lender may from time to time determine in its sole discretion.

(b) If any payment due hereunder or under the Deed of Trust is not received by the Lender hereof within fifteen (15) days of when such payment is due, then in addition to the remedies conferred upon the Lender hereof pursuant to the provisions of this Note and/or the Loan Documents, a late charge of six percent (6%) of the amount of the payment due will be due and owing by the Borrower and will be added to the delinquent amount to compensate the Lender hereof for the costs, expenses, and damages of the Lender related to the delinquency of the Borrower in making such payment, regardless of any notice and/or cure periods (if any). Acceptance of any late charge will not constitute a waiver of default with respect to the overdue payment, and will not prevent or delay Lender from exercising any of its rights or remedies available under this Note and/or the Loan Documents.

(c) Upon the occurrence, and during the continuance, of an Event of Default, including the failure to pay upon final maturity, Lender, may at its option and in its sole discretion: (i) increase the applicable Interest Rate on this Note to the Default Interest Rate, and/or (ii) add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid at the Default Interest Rate. The undersigned acknowledges that, during the time that any amount is in default, Lender will incur losses that are impracticable, costly, and inconvenient to ascertain. Those losses include, without limitation, the ability to invest amounts then due at the current rate of return and the unavailability of liquid funds. The undersigned agrees that the interest payable hereunder represents a reasonable sum considering all of the circumstances existing on the date of the execution of this Note and represents a reasonable estimate of the losses Lender will incur by reason of late payment. The undersigned further agrees that proof of actual losses would be costly, inconvenient, impracticable, and extremely difficult to fix. Acceptance of the interest will not constitute a waiver of the default with respect to the overdue installment and will not prevent Lender from exercising any of the other rights and remedies available under this Note and/or the Loan Documents. Notwithstanding anything contained herein, the interest rate will not exceed the maximum rate permitted by applicable law.

7. SECURITY.

This Note is secured, among other security, by security instruments covering real property and personal property of the undersigned located in California, including, without limitation, the Deed of Trust, which Deed of Trust creates a lien on that certain real and personal property described therein.

8. EVENT OF DEFAULT.

The occurrence of any of the following shall be deemed to be an event of default ("Event of Default") hereunder:

(a) default in the payment of principal and/or interest, and/or any other sum advanced by Lender pursuant to the terms and provisions of this Note and/or the Loan Documents within five (5) days from the date due; and/or

(b) the failure to perform any of the other terms, provisions, and obligations of the Borrower and/or any indemnitor pursuant to the Loan Documents within thirty (30) days from the receipt of written notice from the Lender (the "30 Day Notice") that such performance was due; provided, however that if such failure is not reasonably susceptible to cure within said thirty (30) days from receipt of the 30 Day Notice and provided that (i) Borrower shall have in good faith undertaken such cure within said thirty (30) day period and (ii) Borrower shall have diligently prosecuted such cure thereafter, Borrower shall have additional time to prosecute such cure, such additional time not to exceed the one hundred twenty (120) days, from receipt by Borrower of the 30 Day Notice; and/or

(c) if any event occurs that is an Event of Default under any of the Loan Documents.

9. REMEDIES.

Upon the occurrence, and during the continuance, of an Event of Default, then at the sole election and option of the Lender hereof, the entire balance of principal together with all accrued interest thereon, and all other amounts payable by Borrower under the Loan Documents shall, without demand or notice, immediately become due and payable. Upon the occurrence of an Event of Default (and so long as such Event of Default shall continue), the entire balance of principal hereof, together with all accrued interest thereon, all other amounts due under the Loan Documents, and any judgment for such principal, interest, and other amounts due under the Loan Documents, shall bear interest at the Default Interest Rate, subject to the limitations contained in Section 14 hereof. No delay or omission on the part of the Lender hereof in exercising any right or remedy under this Note and/or under any of the other Loan Documents hereof shall operate as a waiver of such right.

Lender hereby agrees that any cure of any default made or tendered hereunder by Borrower's limited partner shall be accepted or rejected on the same basis as if made or tendered by Borrower.

10. WAIVER.

Borrower hereby waives diligence, demand for payment, presentment for payment, protest, notice of nonpayment, notice of protest, notice of intent to accelerate, notice of acceleration, notice of dishonor, and all other notices or demands of any kind (except notices specifically provided for in the Loan Documents, if any). Borrower waives to the full extent permitted by law, the right to plead any and all statutes of limitations and/or any defenses relating to marshaling of assets as a defense.

11. CHANGE, DISCHARGE, TERMINATION, OR WAIVER.

No provision of this Note may be changed, discharged, terminated, or waived except in a writing signed by the party against whom enforcement of the change, discharge, termination, or waiver is sought. No failure on the part of the Lender hereof to exercise and no delay by the Lender hereof in exercising any right or remedy under this Note and/or the Loan Documents and/or under the law shall operate as a waiver thereof.

12. ATTORNEY'S FEES.

The undersigned agrees to pay all reasonable costs including, without limitation, reasonable attorney fees, incurred by the Lender of this Note in enforcing payment, whether or not suit is filed, including, without limitation, all costs, attorney fees, and expenses incurred by the Lender of this Note in connection with any bankruptcy, reorganization, arrangement, or other similar proceedings involving the undersigned that in any way affects the exercise by the Lender of this Note of its rights and remedies under this Note. All costs incurred by the Lender of this Note in any action undertaken to obtain relief from the stay of bankruptcy statutes are specifically included in those costs and expenses to be paid by the undersigned. Borrower will pay to Lender all attorney fees and other costs referred to in this Section 12 on demand, together with interest from the date of the demand at the Default Rate until paid.

13. SEVERABILITY.

If any provision of this Note is unenforceable, the enforceability of the other provisions shall not be affected and they shall remain in full force and effect.

14. INTEREST RATE LIMITATION.

Borrower hereby agrees to pay an effective rate of interest that is the sum of the interest rate provided for herein, together with any additional rate of interest resulting from any other charges of interest or in the nature of interest paid or to be paid in connection with the Loan. Lender and Borrower agree that none of the terms and provisions contained herein or in any of the Loan Documents shall be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by the laws of the State of California. In such event, if any Lender of this Note shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on this Note to a rate in excess of the maximum rate permitted to be charged by the laws of the State of California, all such sums deemed to constitute interest in excess of such maximum rate shall, at the option of the Lender, be credited to the payment of other amounts payable under this Note and/or the Loan Documents or returned to Borrower.

15. NUMBER AND GENDER.

In this Note the singular shall include the plural and the masculine shall include the feminine and neuter gender, and vice versa.

16. HEADINGS.

Headings at the beginning of each numbered section of this Note are intended solely for convenience and are not part of this Note.

17. CHOICE OF LAW.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES.

18. INTEGRATION.

The Loan Documents contain the complete understanding and agreement of the Lender hereof and Borrower and supersede all prior representations, warranties, agreements, arrangements, understandings, and negotiations.

19. BINDING EFFECT.

The Loan Documents will be binding upon, and inure to the benefit of, the Lender hereof, Borrower, and their respective successors and assigns. Borrower may not assign its obligations under the Loan Documents.

20. TIME OF THE ESSENCE.

Time is of the essence with regard to each provision of the Loan Documents as to which time is a factor.

21. SURVIVAL.

The representations, warranties, and covenants of the Borrower in the Loan Documents shall survive the execution and delivery of the Loan Documents and the making of the Loan.

22. NONRECOURSE.

This Note is a nonrecourse obligation of Borrower. Neither Borrower nor any of its officers, directors, members, or general and limited partners shall have any personal liability for repaying the principal or interest of the Note. In any action brought to enforce the

obligations of Maker under this Note, the Deed of Trust or any other instrument or agreement evidencing, securing or relating to the indebtedness evidenced by this Note, the judgment or decree shall be enforceable against Borrower solely and only to the extent of its interest in the property described in the Deed of Trust or its interest in any other security provided by Borrower as security for this Note, and Lender shall not seek any deficiency judgment against the Borrower. The foregoing provisions shall not prevent recourse to the collateral security for the loan, including but not limited to all contracts, documents, reports, surveys, materials, architectural drawings and specifications and other information related to the Project, or constitute a waiver, release or discharge of or otherwise affect the obligation to pay, any indebtedness evidenced by the loan documents executed in connection with the Project or limit the right of any person to name the Maker or any other person claiming an interest in or right to such collateral as party defendant in any action or suit for judicial foreclosure or in the exercise of any other remedy, including injunctive or other equitable relief, under any of the loan documents executed in connection with this Project so long as no deficiency judgment shall be sought against the Maker.

[Signatures on following page]

MAKER/ BORROWER:

Fort Bragg South Street LP,
a California Limited Partnership

By: Community Revitalization and Development
Corporation, a California nonprofit public benefit
corporation,
Its Managing General Partner

By: _____

David Rutledge, President

By: Johnson & Johnson Investments,
LLC, a California limited liability
company, Its Administrative
General Partner

By: _____
Daniel J. Johnson, Managing
Member

By: Danco Communities, a California
Corporation Its Co-Administrative
General Partner

By: _____
Daniel J. Johnson, President

ATTACHMENT NO. 3

FORM OF DEED OF TRUST

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Fort Bragg
416 North Franklin Street
Fort Bragg, CA 92101
Attn: _____
Title:

Space above line for Recorder's use only
Exempt from Recording Fees pursuant to Govt. Code § 27383

CITY OF FORT BRAGG

**DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY
AGREEMENT AND FIXTURE FILING**

This Deed of Trust is made as of _____ 1, 2023, among FORT BRAGG SOUTH STREET LP, a California limited partnership ("**TRUSTOR**"), whose address is 5251 Ericson Way, Arcata, CA 95521; Fidelity National Title Company, whose address is 10969 Trade Center Drive, Suite 107, Rancho Cordova, CA 95670 ("**TRUSTEE**"); and the CITY OF FORT BRAGG ("**BENEFICIARY**"), whose address is 416 North Franklin Street, Fort Bragg, California 92101.

Trustor irrevocably grants, conveys, transfers, and assigns to Trustee in trust, with power of sale and right of entry and possession, all of Trustor's estate, right, title, and interest in, to and under the following property (collectively, the "**Property**"): (a) the real property in Mendocino County, California, described on **Exhibit A** attached hereto and incorporated herein by this reference, together with all existing and future easements and rights affording access to it (the "**Land**"), (b) together with all buildings, structures, and improvements now existing or hereafter constructed thereon (the "**Improvements**"), (c) together with all articles of personal property now or hereafter attached to, placed upon for an indefinite term, or used in connection with the Land and/or Improvements, together with all goods and other property that are, or at any time become, so related to the Property that an interest in them arises under real estate law, or they are otherwise adjudged to be a "fixture" under applicable law (each a "**Fixture**," collectively "**Fixtures**"), (d) together with all other property and interests of any kind or character which may be reasonably necessary or desirable to promote the present and future beneficial use and enjoyment of such real property and improvements.

1. Secured Obligations. Trustor makes the grant, conveyance, transfer, and assignment herein for the purpose of securing the following obligations (the "**Secured Obligations**"): (a) payment of the sum of Two Million Two Hundred Eighty Thousand Dollars (\$2,280,000.00) with interest thereon according to the terms of a promissory note (the "**Note**") of

even date herewith, executed by Trustor in favor of Beneficiary or order and any extension or renewals thereof; (b) payment of such further sums as the then record owner of the Property may borrow from Beneficiary, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust; and (c) performance of each agreement and obligation of Developer under that certain Standard Agreement No. 21-PLHACOM-17075 between developer Danco Communities, and Community Revitalization and Development Corporation dated _____, (the "**Standard Agreement**"), providing for the construction of improvements on the Property and operation of the Property and improvements thereon as affordable housing (the "**Project**"); (d) obligations under that certain Regulatory Agreement in favor of Beneficiary, dated November 1, 2020, and recorded on November 25, 2020, as instrument number 2020-16121; and (e) obligations under the Regulatory Agreement in favor of the California Department of Housing and Community Development (the "**Regulatory Agreement**") to be recorded against the Property. The payment of the amount owing pursuant to the terms of the Note by Trustor does not extinguish the rights of the Beneficiary under the Regulatory Agreement. This Deed of Trust shall secure the Beneficiary against any default under the Regulatory Agreement for the term of the Regulatory Agreement.

2. Maintenance and Repair. Trustor shall (a) keep the Property in good condition and repair and not remove or demolish any building except as may be necessary to construct the Project; (b) complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed; (c) pay when due all claims for labor performed and materials furnished; (d) comply with all laws affecting the Property or requiring any alterations or improvements to be made; (e) not commit or permit waste; and (t) cultivate, irrigate, fertilize, fumigate, prune, and do all other acts which from the character or use of the Property may be reasonably necessary.

3. Insurance. Trustor shall maintain hazard insurance against loss by fire, hazards included with the term "**extended coverage**," and any other hazards for which Beneficiary requires insurance, and liability insurance as set forth in the Regulatory Agreements. The insurance carrier and the insurance policies and amounts of coverage shall comply with the terms of the Regulatory Agreements or shall otherwise be acceptable to Beneficiary, the policies shall name Beneficiary as a loss payee or an additional insured, as applicable, the policies shall include Beneficiary as an additional insured, as applicable.

4. Defense of Security. Trustor shall appear in and defend any action or proceeding purporting to affect the security or the rights or powers of Beneficiary or Trustee. Trustor shall pay all costs and expenses, including costs of evidence of title and attorneys' fees, in any such action or proceeding in which Trustee or Beneficiary may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. Payment of Taxes and Liens. Trustor shall pay (a) at least 10 days before delinquency, all non-abated taxes and assessments affecting the Property, including water stock assessments; (b) when due, all encumbrances, charges, and liens, with interest, on the Property, which are or appear to be prior or superior to this Deed of Trust; and (c) upon demand all reasonable and documented costs, fees, and expenses of this Deed of Trust. If Trustor fails to make any payment or to do any act provided for in this Deed of Trust after

written notice of such failure by Beneficiary and a reasonable opportunity to cure, then Beneficiary or Trustee may, without obligation to do so, and with or without notice to or demand upon Trustor, and without releasing Trustor from any obligation under this Deed of Trust: (a) make or do the same in such manner and to such extent as either may deem necessary to protect the security, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; (b) appear in or commence any action or proceeding purporting to affect the security, or the rights or powers of Beneficiary or Trustee; (c) pay, purchase, contest or settle any encumbrance, charge or lien which in the judgment of either appears to be senior to this Deed of Trust; and (d) in exercising any such powers, pay allowable expenses, including attorneys' fees.

6. Reimbursement of Costs. Trustor shall pay upon demand all reasonable and documented sums expended by Beneficiary or Trustee provided for in this Deed of Trust or allowed by law, with interest from date of expenditure at the maximum rate provided in the Note.

7. No Waiver. By accepting payment of any sum after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums or declare a default for failure to pay.

8. Reconveyance. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note or notes to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals of such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "**the person or persons legally entitled thereto.**"

9. Assignment of Rents. Subject to the rights of senior lenders, Trustor hereby absolutely and unconditionally assigns to Beneficiary all of the rents, issues, profits, royalties, revenues, income, and other benefits (collectively, the "**Rents**") derived from the Property, whether now due, past due or to become due, and hereby gives to and confers upon Beneficiary, either directly or through a receiver, the right, power, and authority, but not the obligation, to collect the Rents, and to sue, either in the name of Trustor or Beneficiary, for all such Rents and to apply the same to the indebtedness secured hereby in such order as Beneficiary may determine in its sole discretion. This assignment of Rents is intended to create and shall be construed to create an absolute assignment to Beneficiary of all of Trustor's right, title, and interest in the Rents. So long as no default exists by Trustor in the payment of any indebtedness secured hereby, or in any other covenant contained herein, or in said note or notes or in any other document evidencing or securing such indebtedness, Trustor shall have the right to collect all Rents from the Property and to retain, use, and enjoy the same. Upon the occurrence of such a default beyond any applicable notice and cure periods, without the necessity of demand or other notice to Trustor or any other act to enforce Beneficiary's interest pursuant to this assignment, Trustor shall have no interest whatsoever in the Rents that are received by Trustor after a default, and all such Rents shall be received and held by Trustor in constructive trust for Beneficiary and delivered promptly to Beneficiary, or to a court-appointed receiver for the Property, without the necessity for further notice to, or demand upon, Trustor. Upon the occurrence of such a default, beyond any applicable notice and cure periods, and at any time thereafter during the continuance thereof, Beneficiary may, at its option, send any tenant of the Property a notice to the effect that: (a) a default has occurred; (b) Beneficiary has elected to

exercise its rights under this assignment; and (c) such tenant is thereby directed to thereafter make all payments of Rents to or for the benefit of Beneficiary or as Beneficiary shall direct. Any such tenant shall be entitled to rely upon any notice from Beneficiary and shall be protected with respect to any payment of Rents made pursuant to such notice, irrespective of whether a dispute exists between Trustor and Beneficiary with respect to the existence of a default or the rights of Beneficiary hereunder. Any such tenant shall not be required to investigate or determine the validity or accuracy of such notice or the validity or enforceability of this assignment. Trustor hereby agrees to indemnify, defend, and hold any such tenant harmless from and against any and all losses, claims, damages or liabilities arising from or related to any payment of Rents by such tenant made in reliance on and pursuant to such notice.

10. Default and Foreclosure. Upon default by Trustor in payment or performance of any Secured Obligation, subject to any applicable notice and cure period, Beneficiary may declare all sums secured immediately due and payable by delivery to Trustee of a declaration of default and demand for sale and of a notice of default and of a notice of sale, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, said note or notes, and all documents evidencing expenditures secured by this Deed of Trust. Upon default of any obligation secured by this Deed of Trust and acceleration of all sums due, Beneficiary may instruct Trustee to proceed with a sale of the Property under the power of sale granted in this Deed of Trust, noticed and held in accordance with California Civil Code Sections 2924, et seq., as such statutes may be amended from time to time. Trustor waives all rights it may have to require marshaling of assets or to require sales of assets in any particular order, including any rights under California Civil Code Sections 2899 and 3455.

Beneficiary hereby agrees that any cure of any default made or tendered hereunder by Trustor's limited partner shall be accepted or rejected on the same basis as if made or tendered by Trustor.

11. Distribution of Foreclosure Proceeds. The proceeds generated by any Foreclosure ("Proceeds") shall be distributed as follows: (i) First, senior liens and encumbrances (if any) on the Project shall be fully paid from the Proceeds; (ii) Second, City shall be fully paid any amounts owing under the Secured Obligations; (iii) Third, to the Borrower to the extent the Borrower or its affiliate has unreimbursed predevelopment costs advanced in connection with the Project; (iv) Fourth, City shall be paid the difference between the appraised value of the completed Project (applicable portion thereof) as restricted by the Regulatory Agreement ("Restricted Value") and the Proceeds ("Differential"); (v) Fifth, any remaining Proceeds shall be distributed in accordance with California Civil Code Section 2924(k). The Differential shall be deposited in City's housing fund. Borrower expressly acknowledges and agrees that the Agreement and this Deed of Trust constitutes a lien against the Project and the Differential, including in accordance with California Civil Code Sections 2872, 2924 to 2924h, inclusive ("Differential Lien"). In the event of a Foreclosure, for purposes of distribution of the Differential only, the Differential Lien shall be considered a junior lien or encumbrance within the meaning of California Civil Code section 2924k(a)(3). Borrower hereby irrevocably instructs any holder of the Differential or similar proceeds generated by Foreclosure to immediately disburse the Differential to City, and agrees to defend, indemnify and hold City and such holder harmless from any and all claims related to such distribution. As used herein, "Foreclosure" means any judicial or non-judicial foreclosure, trustee's sale, deed-in-lieu transfer, short sale, or similar transaction.

12. Substitution of Trustee. Beneficiary, or any successor in ownership of any

indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers, and duties. Said instrument must contain the name of the original Trustor, Trustee, and Beneficiary hereunder, the book and page where this Deed of Trust is recorded, and the name and address of the new Trustee.

13. Successors and Assigns. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "**Beneficiary**" shall mean the owner and holder, including pledgees, of the secured note or notes, whether or not named as Beneficiary herein.

14. Trustee Acceptance. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

15. Further Assurances. Trustor shall, at its own cost and expense, do, execute, acknowledge, and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers, and assurances as Trustee or Beneficiary shall from time to time reasonably require, for better assuring, conveying, assigning, transferring, and confirming unto Trustee the Property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Trustor may be or may hereafter become bound to convey or assign to Trustee, or for carrying out the intention or facilitating the performance of the terms of this Deed of Trust, or for filing, registering, or recording this Deed of Trust. Trustor shall, on demand, execute and deliver, and hereby authorizes Trustee and Beneficiary, or either of them, to execute in the name of Trustor, to the extent it may lawfully do so, one or more financing statements, chattel mortgages, or comparable security instruments, to evidence more effectively the lien hereof. Immediately upon the execution and delivery of this Deed of Trust, and thereafter from time to time, Trustor shall cause this Deed of Trust, and any security instruments creating a lien or evidencing the lien hereof upon any personal property and each instrument of further assurance, to be filed, registered, or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the title of Trustee to, the Property encumbered hereby.

16. Condemnation and Insurance Proceeds. Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation or other taking of all or any portion of the Property, or knowledge of any casualty damage to the Property, or damage in any other manner, Trustor shall immediately notify Beneficiary thereof. Trustor hereby authorizes and empowers Beneficiary as attorney-in-fact for Trustor to make proof of loss, to adjust and compromise any claim under the insurance policies covering the Property, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Beneficiary's expenses incurred in the collection of such proceeds; provided, however, that nothing contained in this Section shall require Beneficiary to incur any expense or take any action hereunder. Trustor hereby authorizes and empowers Beneficiary, at Beneficiary's option, as attorney-in-fact for Trustor, to commence, appear in, and prosecute, in Beneficiary's or Trustor's name, any action or

proceeding relating to any condemnation or other taking of all or any part of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or any part thereof, or for conveyances in lieu of the Property, or any part thereof, shall be paid to Beneficiary. The foregoing powers of attorney are coupled with an interest and are irrevocable. Trustor hereby authorizes Beneficiary to apply such awards, payments, proceeds or damages relating to condemnation of the Property and insurance covering the Property, after the deduction of Beneficiary's expenses incurred in the collection of such amounts, subject to the requirements of applicable law and the provisions hereof, to restoration or repair of the Property or to payment of the sums secured by this Deed of Trust. Beneficiary shall be under no obligation to question the amount of any compensation, awards, proceeds, damages, claims, rights of action, and payments relating to condemnation or other taking of the Property or insured casualty affecting the Property, and may accept the same in the amount in which the same shall be paid. Trustor shall execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking or such insurance as Beneficiary may require. Notwithstanding the above, the Beneficiary shall release all insurance and condemnation proceeds to Trustor to be used to reconstruct the improvements on the Property provided that Beneficiary reasonably determines that such restoration, repair or rebuilding is economically feasible, provided, Beneficiary acknowledges and agrees that if any casualty affects the Property at any point after the execution of this Deed of Trust and prior to the construction of the Trustor's new Improvements, the Trustor shall not be obligated to reconstruct any improvements on the Property. If such insurance proceeds shall be insufficient for such purposes, Trustor shall make up the deficiency. If the Project is subject to a partial condemnation or taking, then the proceeds received therefrom shall be applied to restore the Project taken, provided the Beneficiary determines that such restoration is economically feasible and no default exists under the Loan Documents following the expiration of all applicable cure periods. If the Project is subject to a total condemnation, or if Beneficiary determines that restoration of the Project is not feasible following a partial condemnation, or if a default exists then the proceeds from any condemnation award or claim for damages shall be used first to repay all sums under the Note, with the excess, if any, paid to Trustor, subject to the rights of the senior lender.

17. Severability. If any one or more of the provisions contained in this Deed of Trust shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Deed of Trust, but this Deed of Trust shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, but only to the extent of such invalidity.

18. Estoppel Certificate. Trustor shall, within thirty (30) days of a written request from Beneficiary, furnish Beneficiary with a written statement, duly acknowledged, setting forth the sums secured by this Deed of Trust and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this Deed of Trust.

19. California Uniform Commercial Code Security Agreement; Fixture Filing.

Trustor hereby grants Beneficiary a security interest in all personal property of Trustor located on the Property and wherever located and used in any way in connection with or in any way relating to the Property, and whether now owned or hereafter in existence, acquired or created (including equipment, inventory, goods, documents, instruments, general intangibles, chattel paper, accounts, accounts receivable, deposit accounts, and contract rights), and all fixtures of Trustor now owned or hereafter in existence, acquired or created on, of or relating to the Property, and all substitutions, replacements, additions, accessions, and proceeds (including insurance proceeds) of all of the foregoing (collectively, the "**Personal Property**"). Beneficiary may file this Deed of Trust, or a reproduction hereof, in the real estate records or other appropriate index, as a financing statement for the Personal Property. Any reproduction of this Deed of Trust or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Trustor shall execute and deliver to Beneficiary, upon Beneficiary's request, any financing statements, as well as extensions, renewals, and amendments thereof, and reproductions of this Deed of Trust in such form as Beneficiary may require to perfect a security interest with respect to the Personal Property. Trustor shall pay all costs of filing such financing statements and any extensions, renewals, amendments, and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements Beneficiary may reasonably require. Upon Trustor's breach of any covenant or agreement of Trustor contained in this Deed of Trust, including the covenants to pay when due all sums secured by this Deed of Trust, Beneficiary shall have the remedies of a secured party under the California Uniform Commercial Code and, at Beneficiary's option, may also invoke any remedies provided in this Deed of Trust as to the Personal Property. In exercising any of such remedies, Beneficiary may proceed against the Property and any of the Personal Property separately or together and in any order whatsoever, without in any way affecting the availability of Beneficiary's remedies under the California Uniform Commercial Code or the remedies provided in the Deed of Trust. This Deed of Trust also covers goods which are or which are to become fixtures on the Property and constitutes and is filed as a fixture filing under the California Uniform Commercial Code.

20. Due-On-Sale or Encumbrance. Except for any transfer permitted by the Trustor's Amended and Restated Agreement of Limited Partnership, if all or any part of the Property, or any interest therein, or any beneficial interest in Trustor (if Trustor is not a natural person or persons but is a corporation, partnership, trust, limited liability company or other legal entity), is sold, transferred, mortgaged, assigned, pledged, or further encumbered, whether directly or indirectly, whether voluntarily or involuntarily, or by operational law, Beneficiary may, at Beneficiary's option, declare all of the sums secured by this Deed of Trust to be immediately due and payable, and Beneficiary may invoke any remedies permitted by this Deed of Trust.

21. Three-Year Tax Credit Period. If the Project is assisted by federal tax credits and it is determined that Section 42(h)(6)(E)(ii) of the Internal Revenue Code of 1986, as amended, is applicable to the Beneficiary, the Beneficiary agrees to comply with the three-year extended use requirement set forth therein in the event that the Beneficiary takes ownership of the Project or any portion thereof as a result of a foreclosure. The Beneficiary further agrees to execute and record a subordination agreement, in a form reasonably approved by Beneficiary, subordinating the lien of the Deed of Trust to the California Tax Credit Allocation Committee's regulatory agreement.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to Trustor at Trustor's address hereinbefore set forth, and to Trustor's limited partner at its address set forth in the Loan Agreement entered into by and between Trustor and Beneficiary referenced in Section 1, above.

Signatures on following page.

TRUSTOR:

Fort Bragg South Street LP,
a California Limited Partnership

By: Community Revitalization and Development
Corporation, a California nonprofit public benefit
corporation,
Its Managing General Partner

By: _____
David Rutledge, President

By: Johnson & Johnson Investments,
LLC, a California limited liability
company, Its Administrative
General Partner

By: _____
Daniel J. Johnson, Managing
Member

By: Danco Communities, a California
Corporation Its Co-Administrative General
Partner

By: _____

Daniel J. Johnson, President

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 2023 before me, _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person whose name) is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (seal)

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 2023 before me, _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person whose name) is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (seal)

EXHIBIT A

For APN/Parcel ID(s): 018-340-04-00 and 018-340-06-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF FORT BRAGG, COUNTY OF MENDOCINO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

That certain real property situated in the City of Fort Bragg, County of Mendocino, State of California and being a portion of Sections 7 and 18, Township 18 North, Range 17 West, Mount Diablo Meridian, more particularly described as follows:

Commencing at the section corner common to Sections 1 and 12, Township 18 North, Range 18 West and Sections 6 and 7, Township 18 North, Range 17 West, Mount Diablo Meridian; thence East, 2,670 feet; thence South 5,310 feet; thence West 320 feet to the true point of beginning (said true point of beginning also being the North corner common to Lots 70 and 71 of Union Lumber Company Suburban Lots as shown on that certain Record of Survey Map filed for record February 3, 1967 in Map Case 2, Drawer 8, Page 22, Mendocino County Records).

Thence from said point of beginning and along exterior boundaries of the following described parcel, North 88° 40' 20" West, 320.00 feet to the Northwest corner of said Lot 71; thence along the Westerly line of said Lot 71, South 01° 19' 40" West, 511.40 feet to the Southwest corner of said Lot 71 and the Northerly line of South Street; thence along the Southerly line of said Lot 71 and Lot 70 and said Northerly line of South Street, South 71° 44' 00" East, 341.01 feet; thence leaving said Northerly line of South Street, North 22° 28' 54" East, 297.48 feet; thence South 88° 40' 20" East, 206.42 feet to a point on the Easterly line of the lands of Joe J. Rossi as shown on aforesaid Record of Survey Map; thence along said Easterly line, North 43° 12' 00" East, 287.91 feet; thence North 00° 40' 20" West, 119.00 feet to the North line of said lands of Joe J. Rossi and the Northerly line of said Lot 70; thence along said Northerly line of said Lot 70, North 88° 40' 20" West, 508.00 feet to the true point of beginning.

The above legal description is pursuant to the City of Fort Bragg Lot Line Adjustment #1-94. This Lot Line Adjustment was completed of record by Quitclaim Deed dated March 19, 1994 and recorded May 23, 1994 in Book 2177, Page 587, Mendocino County Records.

PARCEL TWO:

That part of the North one half (N1/2) of the Northwest Quarter (NW 1/4) of Section Eighteen (18), Township Eighteen (18) North, Range Seventeen (17) West, M.D.B.&M., particularly described as follows: to wit:

Commencing at the Southwesterly corner of Lot Seven One (71) of a certain Subdivision in said North one half (N1/2) of Northwest Quarter (N1/4) of said Section Eighteen (18) Township Eighteen (18) North, Range Seventeen (17) West for the point of beginning;

thence around the piece or parcel of land to be conveyed by the following courses and distances:

Northerly and along the Westerly boundary line of said Lot Seventy-One (71) five hundred (500) feet more or less to the Northerly boundary line of Lot Seventy-One (71); thence Westerly twenty (20) feet to the Easterly boundary line of Lot Seventy-Two (72); thence Southerly and along the Easterly boundary line of Lot Seventy-Two (72) five hundred (500) feet more or less, to the Southerly boundary line of Lot Seventy-Two (72); thence Easterly and along the Northerly boundary line of a certain lane, or road, twenty (20) feet, more or less, to the point of beginning.

PARCEL THREE:

A non-exclusive easement for ingress, egress and other purposes as more particularly described and set forth in that certain document entitled "Access Easement Agreement" recorded concurrently herewith as Instrument No. 2020-16115 of Official Records.



City of Fort Bragg

416 N Franklin Street
Fort Bragg, CA 95437
Phone: (707) 961-2823
Fax: (707) 961-2802

Text File

File Number: 23-233

Agenda Date: 7/24/2023

Version: 1

Status: Business

In Control: City Council

File Type: Resolution

Agenda Number: 8B.

Receive Report and Consider Adoption of City Council Resolution Approving Professional Services Agreement with SHN Consulting Engineers & Geologists, Inc. to Provide Construction Management Services for the 2022 Streets Rehabilitation Project, City Project No. PWP-00120, Approving Budget Amendment 2023/24-03, and Authorizing City Manager to Execute Contract (Amount Not To Exceed \$196,900; Account No. 421-4870-0731)



AGENCY: City Council
MEETING DATE: July 24, 2023
DEPARTMENT: Public Works
PRESENTED BY: C. O'Neal
EMAIL ADDRESS: coneal@fortbragg.com

AGENDA ITEM SUMMARY

TITLE:

Resolution Approving Professional Services Agreement with SHN Consulting Engineers & Geologists, Inc. to Provide Construction Management Services for the 2022 Streets Rehabilitation Project, City Project No. PWP-00120, Approving Budget Amendment 2023/24-03, and Authorizing City Manager to Execute Contract (Amount Not To Exceed \$196,900; Account No. 421-4870-0731)

ISSUE:

A Request for Proposals for Construction Management Services for the 2022 Streets Rehabilitation Project was issued on June 19, 2023 and proposals were opened on July 13, 2023. Two proposals were received, one from SHN Consulting Engineers and Geologists, Inc. and one from 4Leaf, Inc. Both proposals were reviewed and evaluated by Public Works staff. Based on those reviews, prior experience with the firms, and project budget, staff recommends SHN Consulting Engineers and Geologists, Inc. for the project. Their proposal was responsive, they are qualified to perform the work, and their submittal is within the allotted budget amount. Additionally, due to a project scope change during design, a budget amendment is proposed to remove the water enterprise funding (amount to \$180,500) and replace it with funds from the Street Sales Tax account (same amount).

ANALYSIS:

The City is preparing to start construction on the 2022 Streets Rehabilitation Project. This project scope includes:

- Approximately two (2) miles of New Pavement;
- Three (3) miles of additional Pavement Marking and Striping on streets not receiving other pavement treatment;
- Replacement of the decorative crosswalks in the Central Business District; and
- Safety improvements along North and South Harold Street; including installation of bulb-outs at Oak Street, high-visibility crosswalks in the school zone, and warning signage along the corridor.

Additional figures and project location listing can be viewed in the construction award report contained in this agenda packet.

The City of Fort Bragg requested proposals from qualified consultants to contract with the City to perform construction management services for the 2022 Streets Rehabilitation Project. The original solicitation was sent to 40 consultants and 2 regional builders' exchanges. Services of a Construction Manager include materials testing, staking, compaction testing, Storm Water Pollution Prevention Plan (SWPPP) management, as well as administration and document recordkeeping for the contract. Typically, construction management services are estimated to be 10-15% of the cost of construction. SHN's

proposal came in at \$215,600 or 6.4% of the engineer's estimated cost and 4Leaf's proposal is \$371,300 or 11% of the engineer's estimated cost. Based on the project budget and the costs submitted for Design, Construction, and this Construction Management proposal, Alternate 1 is recommended for inclusion in the construction contract, and Alternate 2 is excluded. The Bid Proposal summary is included in Attachment 3, which provides summary details about the two proposals.

RECOMMENDED ACTION:

Adopt the Resolution awarding the Professional Services Agreement for Construction Management to SHN Consulting Engineers and Geologists, Inc. for the 2022 Streets Rehabilitation Project.

ALTERNATIVE ACTION(S):

Direct staff to select the other Consulting Firm for the award of the Professional Services Agreement for Construction Management.

FISCAL IMPACT:

The major funding sources for the project are the City's special street sales tax, State Road Maintenance and Rehabilitation (RMRA) Local Partnership Program (LPP), Highway Safety Improvement Program (HSIP), and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funding. Each of these fund sources is dedicated to the improvement and rehabilitation of the City streets, alleys, and safety projects.

Because the contract excludes Alternate two (2), the proposed Construction Management contract will cover the same scope, thus the Professional Services Agreement amount is \$196,900. Construction Management services typically cost 10%-15% of the base bid. This Professional Services Agreement is 5.5% of the total construction costs. SHN's primary cost savings are achieved because they utilize local employees and run their materials and compaction testing through their Willits Office. There is adequate budgeted funding available for this project as a bid.

Due to a scope change during design, a budget amendment is necessary to remove the water enterprise funding (amount \$180,500) and replace it with funds from the Street Sales Tax account. The budget amendment is described in the Resolution (Attachment 1) and Exhibit A (Attachment 2).

GREENHOUSE GAS EMISSIONS IMPACT:

There will be a short-lived increase in greenhouse gas emissions during the construction phase due to the asphalt processes and equipment necessary for the performance of the work. Increases in greenhouse gases will only occur during actual construction. All Air Quality Management District best management practices for minimizing greenhouse gas emissions during construction, like reducing idling vehicles, will be incorporated into the daily activities of this project. Additionally, projects like this that support the maintenance and long-term utility of existing streets, roads, and highways are consistent with the Preferred Growth Scenario of VisionMendocino2030, which was developed as a local version of the California Air Resources Board Sustainable Communities Strategy Blueprint Plan.

CONSISTENCY:

The primary funding source for this project is Special Street Sales Tax. This special purpose transaction and use tax was passed by the voters in 2004 and extended again in 2014. The special sales tax is currently scheduled to sunset in 2024, but a measure for the extension is scheduled for the November 2023 special election. This City's Special Street Sales Tax makes us a "Self-Help" City under RMRA, which entitles us to the additional LPP state funds described above. The purpose of both the Special Street Sales tax and RMRA funds is for repairing, maintaining, and reconstructing City streets.

Additionally, Fort Bragg Municipal Code Purchasing Policies Chapter 3 encourages local vendors to be selected. SHN has a Fort Bragg and Willits branch, making their services more affordable.

IMPLEMENTATION/TIMEFRAMES:

Proposals in response to RFP opened – July 13, 2023
Construction Contract Accepted – July 10, 2023
Start Construction – August 2023
Complete Construction – December 2023

ATTACHMENTS:

1. Resolution
2. Exhibit A Budget Amendment
3. RFP Response List

NOTIFICATION:

1. Jason Island, PE SHN
2. Bert Gross, PE 4LEAF, Inc.
3. Street Construction Listserve

RESOLUTION NO. ____-2023

RESOLUTION OF THE FORT BRAGG CITY COUNCIL APPROVING PROFESSIONAL SERVICES AGREEMENT WITH SHN CONSULTING ENGINEERS & GEOLOGISTS, INC. TO PROVIDE CONSTRUCTION MANAGEMENT SERVICES FOR THE 2022 STREETS REHABILITATION PROJECT, CITY PROJECT NO. PWP-00120, APPROVING BUDGET AMENDMENT 2023/2024-03, AND AUTHORIZING CITY MANAGER TO EXECUTE CONTRACT (AMOUNT NOT TO EXCEED \$196,900; ACCOUNT NO. 421-4870-0731)

WHEREAS, the City of Fort Bragg released a request for proposals on June 19, 2023 seeking qualified engineering firms interested in contracting with the City of Fort Bragg to provide construction management, staking, and materials testing services for the 2022 Streets Rehabilitation Project, Project No. PWP-00120; and

WHEREAS, the City received two (2) proposals from qualified firms, one from SHN Consulting Engineers and Geologists, Inc., with a not to exceed amount of \$215,600, the other from 4Leaf, Inc. with a not to exceed amount of \$371,300; and

WHEREAS, staff thoroughly reviewed both the proposals and recommends selection of SHN Consulting Engineers and Geologist, Inc.; and

WHEREAS, the construction project only includes the base bid and alternate 1, thus the Construction Management Contract scope shall match, making the contract not to exceed amount \$196,900 when Alternative 2 is excluded; and

WHEREAS, the City has confirmed that SHN Consulting Engineers and Geologists, Inc. has the proper license, experience and meets the necessary requirements to complete the Project as bid; and

WHEREAS, appropriations for this Project were made in the FY 23-24 Capital Projects Budget, Account No. 421-4870-0731; and

WHEREAS, a budget amendment BA 2023/24-03 (Exhibit A) for the 2022 Street Rehabilitation Project is necessary to remove the water enterprise funding (amount \$180,500) and replace with funds from the Street Sales Tax account (same amount) due to a change in the scope of work; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg does hereby approve a Professional Services Agreement with SHN Consulting Engineers & Geologists, Inc. to provide construction management, staking, and materials testing services for 2022 Streets Rehabilitation Project, Project No. PWP-00120, approve budget amendment 2023-2024-03, and authorize the City Manager to execute same (amount not to exceed \$196,900; Account No 413-4870-0731).

The above and foregoing Resolution was introduced by Councilmember _____, seconded by Councilmember _____, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 24th day of July 2023, by the following vote:

AYES:

NOES:

**ABSENT:
ABSTAIN:
RECUSED:**

BERNIE NORVELL
Mayor

ATTEST:

Cristal Munoz
Acting City Clerk



CITY OF FORT BRAGG

RFP OPENING

2022 Streets Rehabilitation Construction Management

Written proposals were due by 2:00 PM, July 13, 2023. Two (2) timely proposals were received.

	Submitted By	Projects	Staffing/Experience	Timeframe	Hourly Rates	Bid	Comments
1	SHN 335 S. Main St. Willits, CA 95490 329. E. Redwood Ave. Fort Bragg, CA 95437 T: 707-962-3140 F: 707-459-1884 Jason Island, P.E. jisland@shn-engr.com http://www.shn-engr.com/	<ul style="list-style-type: none"> Roadway rehabilitation efforts, pedestrian and bicycle trail construction, and coastal trail creation Careful oversight assured adherence to design specifications and quality of product 	<ul style="list-style-type: none"> Jason Island, Project Manager, Principal-in-Charge, Construction Manager / Resident Engineer, CGP Qualified SWPPP Practitioner with 24 years of experience Natalie McLaughlin, Construction Management Assistant / Project Analyst 14 years of experience Jonathan Mendez, Construction/Stormwater Inspector 8 years of experience 	22 weeks	Project Manager - \$110-\$180 Senior Engineer \$170-\$220 Senior Geotechnical Engineer \$160-\$210 Construction Inspector \$ 90-\$280 Senior Land Surveyor \$ 130-\$180 Clerical \$70- \$90	Base Project: \$170,000.00 Alt #1 \$26,900.00 Alt #2 \$18,700.00	Requests for minor amendments to insurance welcome the opportunity to work with the City to augment our coverage.
2	4LEAF, INC 8896 N. Winding Way Fair Oaks, CA 95628 T: (916) 870-7191 F: (916) 965-0013 Bert Gross, PE, Vice President, bgross@4leafinc.com https://www.4leafinc.com/	<ul style="list-style-type: none"> Sole provider of Construction Management and Inspection services for the State Department of Parks and Recreation Provide Construction management services on similar streetscape projects for both the City of Sacramento and the City of West Sacramento inspection of numerous Northern California roadway 	<ul style="list-style-type: none"> Brian Sutliff, P.E, Construction Manager with 35 years of experience Mike Labonte, Construction Inspector, 30+ years' experience Construction Testing Services, Inc. (CTS) 29 years of experience 	19.5 Weeks	Principal \$215 Construction Manager \$195 Inspector \$185	Base Project: \$345,700 Alt #1 \$12,800.00 Alt #2 \$12,800.00	no issues with the provisions of the City's standard consulting services agreement
3		<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 				

