Community Development and Housing

SAN BERNARDINO COUNTY

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
NOTICE OF FUNDING AVAILABILITY (NOFA)
Program Year 2026–2027

Deadline for Submission:	**November 14, 2025**
Submission Platform:	Submittable (https://sbcdh.submittable.com/submit).
Eligible Applicants:	Participating Cities, Nonprofits, and Qualified For-Profits
Total Funding Available:	Approximately $4.3 million
Contact:	CDBG.info@cdh.sbcounty.gov (Attention Bryan Anderson) (909) 501-0600

I. Introduction

San Bernardino County invites participating cities, nonprofits, and community organizations to apply for funding under the Community Development Block Grant (CDBG) Program for Program Year 2026–2027. Funded by the U.S. Department of Housing and Urban Development (HUD), CDBG provides annual grants to counties and cities to improve housing, strengthen neighborhoods, and expand opportunities for residents with low and moderate incomes.

As an Urban County, San Bernardino County receives a yearly allocation of CDBG funds and administers the program on behalf of thirteen participating cities: **Adelanto, Barstow, Big Bear Lake, Colton, Grand Terrace, Highland, Montclair, Needles, Redlands, Twentynine Palms, Yucaipa, and the Town of Yucca Valley.** The County works with these cities, along with nonprofit and community partners, to carry out projects that address local needs.

All projects funded with the County's CDBG program funds must:

1. Serve residents within the County's Urban County areas;
2. Be an eligible activity under CDBG regulations (24 CFR Part 570.201); and
3. Meet a National Objective of the CDBG program (24 CFR Part 570.208).

For 2026–2027, the County is seeking applications for projects that align with the priorities outlined in the 2025–2030 Consolidated Plan. These include:

- Preserving and expanding affordable housing
- Reducing and preventing homelessness
- Improving community facilities and infrastructure, with a focus on accessibility
- Expanding access to public services for seniors, youth, and vulnerable residents

Applicants must show how their projects support these goals and deliver measurable benefits for low- and moderate-income residents.

II. Funding Distribution

The County anticipates receiving approximately **$4.3 million** in CDBG funds for Program Year (PY) 2026-2027:

- **$2 million – Unincorporated Areas**
  Administered by County departments for infrastructure, capital improvements, and Fair Housing programs. Nonprofits are not eligible to apply for these funds.
- **$2.3 million – Participating Cities**
  Each participating city receives an allocation based on a HUD formula considering population, poverty, and housing conditions. Nonprofits may apply to use a city's funds for services or improvements benefiting city residents.
  - **Cities with allocations over $100,000** (Adelanto, Barstow, Colton, Highland, Montclair, Redlands, Twentynine Palms, Yucaipa, and the Town of Yucca Valley) may spend no more than 15% of their funds on public service programs.
  - **Cities with allocations under $100,000** (Big Bear Lake, Grand Terrace, and Needles) are not subject to the 15% cap but may fund up to three projects in total, in any combination of services or construction.

Joint applications benefiting both an entitlement city and a participating city are allowed, provided costs are shared proportionally.

III. Eligible Applicants

Participating Cities
- Cities within the County's Urban County program are eligible to apply for CDBG funds for projects that meet program requirements

Nonprofit Organizations
- Must be recognized as 501(c)(3) entities.
- Should demonstrate relevant service experience and established presence in the community.
- Must show evidence of organizational stability and capacity to manage federal funds.

For-Profit Businesses
- Eligible only for economic development activities that meet HUD requirements and public benefit standards.

All Applicants Must:
- Be legally incorporated, financially stable, and in good standing with the State of California.
- Obtain and maintain a Unique Entity Identifier (UEI) and active registration in SAM.gov.
- Be compliant with federal reporting, audit standards, and County contract requirements.

- Demonstrate the capacity to deliver measurable community benefits and maintain compliance with program regulations.

IV. Eligible Activities

Activities must meet at least one of the HUD national objectives:

- **Benefit low- and moderate-income individuals**: At least 51% of beneficiaries must be low- or moderate-income, or the project must serve a designated low/moderate area.
- **Prevent or eliminate slums and blight:** Projects must address visible deterioration or health/safety hazards
- **Address urgent community needs:** The project must resolve an urgent threat to public health or safety.

Projects should align with the 2025-2030 Consolidated Plan priorities and deliver tangible benefits for low- and moderate-income residents. Examples include:

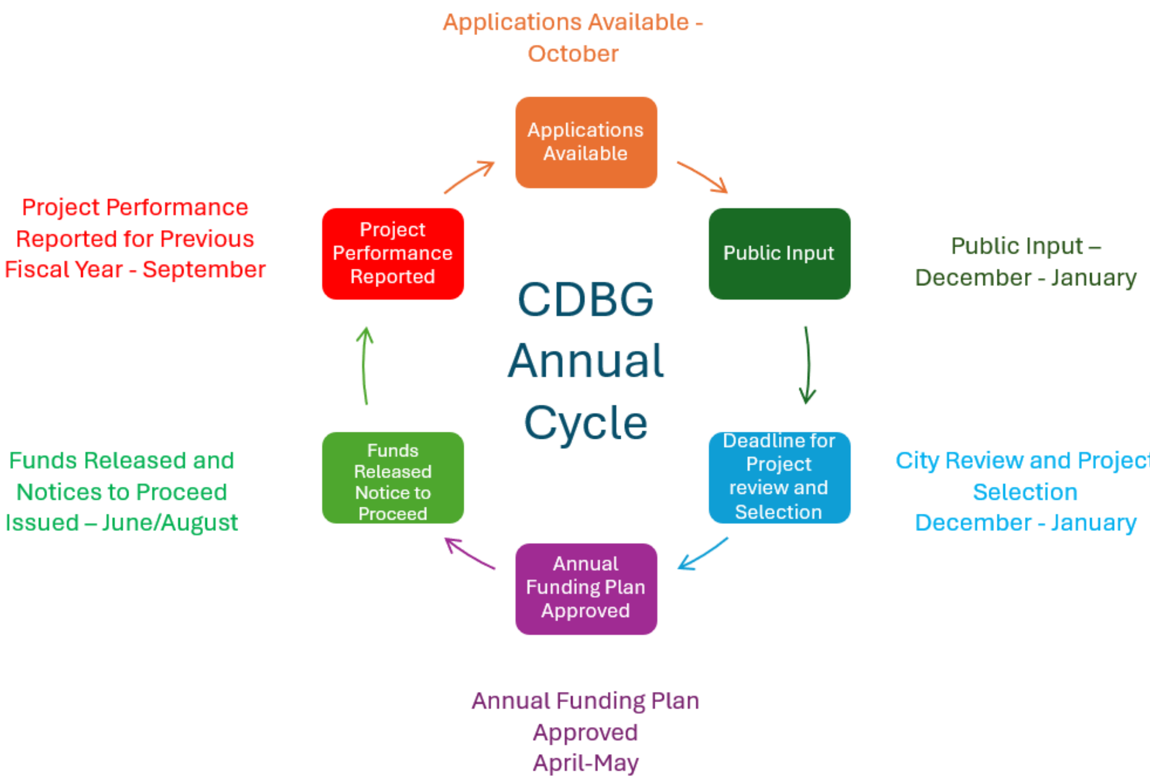
Eligible Category/Priorities	Examples of Eligible Projects	Beneficiaries	Expected Outcomes
Community Infrastructure & Facilities	Parks, sidewalks, ADA ramps, lighting, drainage, community/senior centers	Neighborhood residents, seniors, youth	Safer, accessible neighborhoods
Affordable Housing Activities	Rehabilitation, energy efficiency upgrades, accessibility modifications	Low/moderate-income households	Expanded housing opportunities
Public Services (15% cap)	Senior meals, youth programs, literacy, health services, homeless outreach	Low/moderate-income persons, homeless populations	Improved quality of life and stability
Economic Development	Microenterprise assistance, job training, small business support	Low/moderate-income workers and entrepreneurs	Job Creation or Retention

V. Ineligible Activities

CDBG funds cannot support:

Category	Examples
General Government Operations	Salaries for routine functions, government office construction
Political Activities	Lobbying, campaigning, partisan events
Routine Operations/Maintenance	Utilities, custodial services, standard facility repairs
New Housing Construction	Construction of new single or multi-family housing
Income Payments	Direct financial aid beyond 3-month emergency assistance

VI. Application Process



Applications are typically available each year in late summer, early fall and are typically due in the fall.

The following Spring, grants are presented to the county Board of Supervisors for consideration.

All applications must be submitted electronically through the County's online platform, **Submittable**. Applicants will need to create a Submittable account at Log in | Submittable.

Steps for Application Submission:

- **Step 1 – Account Registration:** Applicants must register or log in to Submittable.
- **Step 2 – Complete the Online Application:** Fill in all required fields, including project narrative, budget, and compliance certifications.
- **Step 3 – Upload Required Attachments:** Articles of Incorporation, Bylaws, IRS 501(c)(3) letter (for nonprofits), audited financial statements, proof of insurance (if available), proof of site control (if applicable), proof of SAM.gov registration, and UEI.
- **Step 4 – Submit by Deadline:** Applications must be submitted no later than **4:00 PM PST on November 14, 2025**. Late or incomplete submissions will not be accepted.
- **Step 5 – Confirmation & Tracking:** Submittable will provide confirmation of submission and allow applicants to track application status.

For Technical Assistance, contact CDBG.info@cdh.sbcounty.gov or call (909)501-0600.

Applicants are strongly encouraged to begin their application process early.

For technical questions regarding Submittable, Submittable provides customer service support through its online Help Center at Help for Applicants | Submittable Help Center.

VII. Application Review & Evaluation Criteria

The evaluation criteria ensure CDBG funds are awarded fairly, transparently, and in compliance with federal regulations. Each factor aligns with HUD requirements, the County's Consolidated Plan priorities, and best practices in grant administration. Together, they assess an applicant's eligibility, capacity, project readiness, and potential to deliver measurable community benefits.

By applying these standards consistently, the County ensures that CDBG resources are directed toward projects that are feasible, cost-effective, and are the most beneficial to residents with low and moderate incomes.

All applications will be reviewed for HUD eligibility and compliance before being evaluated based on the following criteria:

Evaluation Criteria - Scoring Rubric (100 Points Total)

Organizational Experience and Capacity – 20 Points

- Past performance administering CDBG or other federal/state grants.
- Experience with the proposed type of program.
- Adequacy of staffing, financial systems, and internal controls.

Project Design and Readiness – 25 Points

- Appropriateness and clarity of the proposed project approach.
- Evidence of project feasibility (e.g., site control, permits, environmental clearance).

- Realistic implementation timeline demonstrating readiness to proceed.

Community Need and Impact – 25 Points
- Demonstrated local need for the project.
- Extent to which the project will benefit low- and moderate-income residents.
- Anticipated measurable outcomes and long-term community impact.

Budget and Leveraging of Resources – 20 Points
- Reasonableness and cost-effectiveness of the proposed budget.
- Availability of matching funds or leveraged resources.
- Evidence of long-term financial sustainability.

Partnerships and Collaboration – 10 Points
- Strength and relevance of partnerships that enhance project delivery.
- Demonstrated collaboration with community stakeholders.

Minimum Score: 70 points required for funding consideration

Strong Proposals will:

- Provide measurable outcome-based results.
- Align clearly with HUD and County priorities.
- Demonstrate readiness to proceed within the program year.
- Leverage additional funding or partnerships.

VIII. Appeals / Protest Procedure

Applicants may submit a written appeal within five (5) days of notification of non-selection. Appeals specify the basis for the dispute and include supporting documentation. The County will respond within ten (10) business days of receipt. Appeals that do not meet the specified timeframe or documentation requirements will not be considered.

IX. Project and Contract Requirements

Funded organizations must enter into a contract with either the County or the County's CDBG participating cities. Contracts define scope, roles, reporting, and compliance requirements. Payment is on a reimbursement basis unless otherwise specified.

Project Timelines
- **Public Service Activities:** Limited to a 10-month operating period ending April 2027.
- **Construction Activities:** Must be fully funded and ready to proceed, with all work completed within 18 months, ending December 2028.

All projects must meet closeout and reporting deadlines for HUD compliance.

Record Keeping and Reporting
CDBG subrecipients must maintain complete records for all administrative and financial activities related to their funded project. Required documentation includes, but is not limited to:

- Program guidelines and policies
- Beneficiary data and service records
- Original invoices, receipts, and bank statements
- Contracts, subcontracts, and related agreements

All costs charged to CDBG must be:

- Eligible – directly related to the approved activity
- Allowable – reasonable and necessary under 2 CFR 200.402
- Properly Allocated – supported by documentation and consistent with approved budgets

Monitoring of Program Outcomes
The County monitors all CDBG projects through desk reviews and on-site visits to ensure compliance and community benefit. Subrecipients must report on three types of performance data:

- **Activities:** The specific services or interventions provided
  - *Example: Providing case management to homeless residents*
- **Outputs:** The measurable, direct results of those activities
  - *Example: 200 homeless residents received case management*
- **Outcomes:** The longer-term benefits or impacts achieved (must be SMART: specific, measurable, achievable, realistic, and time-bound)
  - *Example: 80% of participants found temporary or permanent housing within 6 months*

X. Additional Requirements

Additional Federal requirements that may be applicable to your CDBG project.

Environmental Review
All CDBG projects must undergo an environmental review before contracts are executed. Reviews are conducted by the County under the **National Environmental Policy Act (NEPA)** and, if applicable, the **California Environmental Quality Act (CEQA)**.

- Projects may not begin until a **Notice to Proceed** is issued.
- Work started before clearance will be ineligible for reimbursement.

Audits

- Agencies expending less than **$1,000,000** in federal funds annually must submit an independent financial audit.
- Agencies expending **$1,000,000 or more** must comply with the federal **Single Audit Act** (2 CFR Part 200), which includes both financial and compliance testing.

Risk Assessment (2 CFR 200.206)
The County will assess each subrecipient's financial and administrative capacity. Agencies with significant findings or limited systems may be subject to **special contract conditions**, such as more frequent reporting or reimbursement restrictions.

Program Income Tracking
Any income generated from CDBG-funded activities (e.g., loan repayments, service fees) must be reported and reinvested into eligible CDBG activities. Subrecipients must track program income separately and follow County guidance on its use.

Economic Development Activities
Projects must meet HUD's Public Benefit Test:

- At least one full-time equivalent job created or retained for every $35,000 in CDBG assistance, OR
- Demonstrated benefit to eligible microenterprises.

Procurement
All purchases made with CDBG funds must comply with federal procurement rules (2 CFR Part 200.320). The required method (micro-purchase, small purchase, sealed bid, competitive proposal) depends on the dollar amount and availability of goods/services.

Build America, Buy America (BABA)
Federally funded infrastructure projects must use U.S.-produced iron, steel, construction materials, and manufactured products. Subrecipients must comply with BABA and may consult HUD's CDBG Quick Guide for details.

Davis-Bacon Federal Labor Standards
Construction, rehabilitation, alteration, or repair projects costing **$2,000 or more** must comply with Davis-Bacon wage requirements. Contractors must pay prevailing wages as set by the U.S. Department of Labor.

Section 3 Requirements
Construction or rehabilitation projects over **$200,000** trigger Section 3 requirements, which promote employment, training, and contracting opportunities for low- and very-low-income residents, especially public housing or Section 8 participants.

Change of Use Restrictions
All public facilities improved with CDBG funds must be used for their approved purpose and meet the approved national objective until five years after expiration of the Subrecipient Agreement.

Additional information on CDBG project eligibility, program monitoring, reporting, and requirements may be found in HUD's Playing by the Rules: A Handbook for CDBG Subrecipients

XI. Insurance Requirements

Awardees must maintain appropriate insurance coverage in accordance with the County's standard contract. The type and limits of insurance depend on the scope of services. At a minimum, coverage generally includes:

- **Workers' Compensation and Employer's Liability:** As required by the State of California.
- **Commercial General Liability: Minimum** $1,000,000 per occurrence / $2,000,000 aggregate.
- **Automobile Liability:** Minimum $1,000,000 per occurrence (increased to $2,000,000 if transporting clients).
- **Umbrella/Excess Liability:** An umbrella (excess) liability policy may be required to provide additional protection above the limits of general liability, automobile liability, and employer's liability policies. This policy functions as backup coverage, ensuring the County is adequately protected if a claim exceeds the limits of the primary policy.
- **As Applicable**: Professional Liability, Errors and Omissions, Directors and Officers, Environmental, Cyber Liability, or Abuse/Molestation coverage.

Applicants must provide Certificates of Insurance and required endorsements before contract execution. Cities may satisfy these requirements through their existing coverage. The full insurance requirements will be included in the County's standard contract.

XI. Post-Award Reporting & Monitoring

Upon notification of awards, the County will conduct a kick-off meeting in May 2026 to review contract requirements and provide training on claims processing.

XII. Timeline

The FY 2026-2027 CDBG Application timeline is as follows:

October 10 – November 14, 2025	**CDBG Application submission period. Applications received after 4:00 PM, November 14, 2025, will not be accepted.**
November 17 – 26, 2025	CDH Application review
December 1, 2025 - January 9, 2026	City Review and Selection
February 2026	Applicant tentative award notifications issued. Projects will be recommended for funding, listed as an alternative should more funds become available, or determined ineligible/not ready to proceed.
March/April 2026	Recommended projects will be presented to the Board of Supervisors for approval.
July/August 2026	A mandatory subrecipient training will be held for all organizations approved for CDBG funds.

XIII. Additional Federal Regulations and Executive Orders

All subrecipients awarded a CDBG allocation must comply with applicable federal regulations, statutes, and executive orders governing HUD programs including, but not limited to:

- **2 Code of Federal Regulation (CFR) Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)**

  Establishes the standards for financial management, procurement, and reporting for federal grant recipients.

- **24 CFR Part 58 – Environmental Review Procedures**
  Requires recipients to evaluate the potential environmental impacts of CDBG-funded projects and ensure compliance with NEPA and related laws.

- **Executive Orders 11246, 13166, and 11063**
  - *EO 11246*: Prohibits discrimination in federal contracting.
  - *EO 13166*: Requires meaningful access to federally funded programs for persons with limited English proficiency.
  - *EO 11063*: Prohibits discrimination in the sale, leasing, rental, or financing of federally assisted housing.
- **Executive Order 13985 – Advancing Racial Equity and Support for Underserved Communities**
  Directs federal programs and recipients to identify and address barriers that prevent equitable access to funding and services.

- **Executive Order 12898 – Federal Actions to Address Environmental Justice**
  Ensures that low-income and minority populations do not bear disproportionate adverse environmental and health impacts.

- **Section 504 of the Rehabilitation Act of 1973**
  Prohibits discrimination on the basis of disability and requires accessibility in federally funded programs and facilities.

- **Fair Housing Act (Title VIII of the Civil Rights Act of 1968)**
  Prohibits housing discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability.

- **National Environmental Policy Act (NEPA)**
  Mandates review of the environmental effects of federally funded actions prior to decision-making.

- **Lead-Based Paint Poisoning Prevention Act and related laws**
  Requires recipients to follow lead-safe housing practices to protect residents from lead-based paint hazards.