NOFA Process Review Workshop

October 6, 2025

Flow of HUD/HCD Funds

CITY OF STOCKTON → **Economic Development Department** → **Neighborhoods & Partner Organizations**

Housing & Community Development funds to benefit low to moderate income residents	**Grantee of HUD and HCD funding**	**Develop & submit plans to use funds to HUD/HCD and administer the funding**	**Programs & projects are funded throughout Stockton**

Federal/State Requirements & Expectations

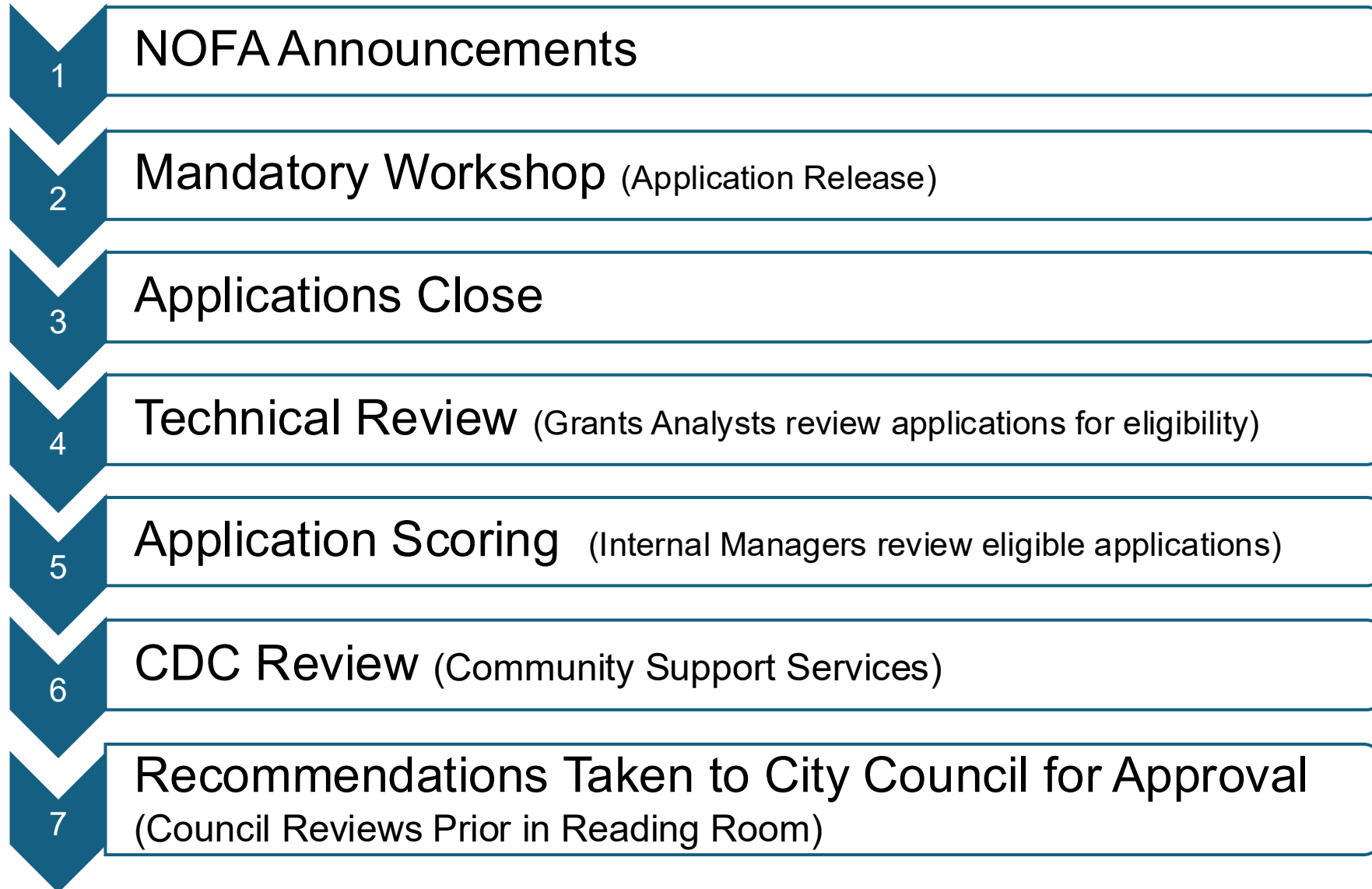HUD/HCD "Subrecipient" Expectations:

Organizational capacity – established in various ways:
- ✓ Organizational Infrastructure: Governance (Board of Directors) & Legal Structure
- ✓ Sound Written Policies and Procedures
- ✓ Financial Management & Internal Controls Systems
- ✓ Adequate Systems & Qualified Staff

As administrators of State and Federal funds, it is the City's job to:
- ✓ Assess organizational capacity
- ✓ Determine project feasibility
- ✓ Mitigate risk of wasting/misusing state and federal funds

NOFA Process

1. NOFA Announcements

2. Mandatory Workshop (Application Release)

3. Applications Close

4. Technical Review (Grants Analysts review applications for eligibility)

5. Application Scoring (Internal Managers review eligible applications)

6. CDC Review (Community Support Services)

7. Recommendations Taken to City Council for Approval (Council Reviews Prior in Reading Room)

City Technical Review

- ✓ Organizational Documents

  - ❑ Org Chart, Board of Directors Roster, Articles of Incorporation, Bylaws, Federal/State Tax Exempt Determination and Status Letters, etc.

- ✓ Policies and Procedures

  - ❑ Programmatic, Financial Policies, Internal Controls, and Recordkeeping Policies, Conflict of Interest, Non-Discrimination, etc.

- ✓ Certification of Good Standing and Audits

  - ❑ IRS 990s, Single Audits, Financial Statement Audits, SAM.gov Registration, etc.

- ✓ Systems and Operations

  - ❑ Time and Effort Reporting, staff experience with HMIS and CES, etc.

- ✓ Environmental Documents

Organizational Capacity Assessment

- ✓ Ability to meet the Federal/State eligibility criteria

- ✓ Project timeliness

- ✓ Prior experience with similar grant programs

- ✓ Financial Capacity

- ✓ Staffing Capacity

- ✓ Separation of Duties (organization infrastructure)

  - Avoiding conflict of interest (real or perceived)

- ✓ Internal controls

  - Policies and procedures, recordkeeping systems, financial systems, and filing systems

- ✓ Environmental Review – Process and Schedule

Application Scoring Criteria

Scoring Breakdown	Criteria
30%	Developer Experience & Financial Capacity
30%	Financial Proforma
20%	Projected Rents & Income Level Targeting
15%	Unique Project Design Features
5%	Financial Readiness – Gap Amount
Total 100%	

The Why?

✓ Contract and Funding Source Deadlines

✓ Timely Expenditure

✓ Invoicing and Financial Tracking Requirements (i.e. time and effort reporting, cost allocation, match/leverage reporting)

✓ Reporting Requirements

✓ Ability to meet the stated goals

✓ Ability to meet and adapt to Federal, State, and local guidelines

✓ Participate in COS/HUD/HCD monitoring reviews and respond to findings requirements, if applicable