

# Grantee: California

## Grant: B-13-DS-06-0001

### April 1, 2023 thru June 30, 2023 Performance Report

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<b>Grant Number:</b> B-13-DS-06-0001	<b>Obligation Date:</b>	<b>Award Date:</b>
<b>Grantee Name:</b> California	<b>Contract End Date:</b>	<b>Review by HUD:</b> Reviewed and Approved
<b>Grant Award Amount:</b> \$70,359,459.00	<b>Grant Status:</b> Active	<b>QPR Contact:</b> No QPR Contact Found
<b>LOCCS Authorized Amount:</b> \$70,359,459.00	<b>Estimated PI/RL Funds:</b>	
<b>Total Budget:</b> \$70,359,459.00		

## Disasters:

### Declaration Number

No Disasters Found

## Narratives

### Executive Summary:

The 2013 Rim Fire destroyed 257,314 acres of land in Tuolumne County and ranks as the third largest wildfire in State history. The fire burned for over two months through large portions of the Stanislaus National Forest, threatening surrounding communities and damaging the critical watershed for local communities, the San Joaquin Valley, and San Francisco (City/County). Unfortunately, the Rim Fire is not an isolated incident. In 2016, a total of 2,986 fires consumed 564,835 California acres. Despite a record snowfall, 2,134 fires have consumed 22,817 acres in California during the period between January 1 and June 18, 2017.

The Rim Fire's direct emergency response cost was \$127 million and estimates of environmental damage range up to \$736 million. In September 2015, the Valley and Butte Fires burned over 145,000 acres, destroyed 2,728 structures and resulted in 7 deaths. California's prolonged severe drought and related epidemic tree mortality magnifies risk, coupled with 2017's above average rain and snow fall levels which creates fuel loading grasses and vegetation that can readily be ignited in summer thunderstorms.

Fires have serious consequences for local communities, including public health impacts, property damage, and economic disruption. They also threaten the backbone watersheds of the State's water system; sixty percent of the State's water supply originates in California's Sierra Nevada region.

The Community and Watershed Resilience Program (CWRP) provides an innovative, revenue-generating, scalable, and replicable model for similar regions throughout California and the western United States. Developed in partnership with federal and local government agencies, community organizations, and private business, the CWRP is built around partnerships and practices designed to overcome the financial and institutional barriers to sustainable, healthy forests and watersheds. The CWRP will also facilitate the transition to a sustainable forest economy in our rural communities.

The State of California's Community and Watershed Health Resilience Program is composed of activities in three complementary pillars: 1). Forest and Watershed Health Project (FWHP) five activities include: fuels reduction and biomass removal, noxious weed abatement, rangeland infrastructure restoration, fuel break expansions, and reforestation within the Rim Fire burn area, designed to improve forest and watershed health and resilience against disturbances; 2). The Biomass Utilization Fund ("BUF") will provide low cost financing to economic development projects that utilize low value forest waste removed from local forests to assist in reducing wildfire fuel loads. The BUF program will also provide financing for public facility projects that are able to install and utilize alternative energy generation; and 3). Up to two Community Resilience Centers, designed to increase community resilience by providing year round services, including education and job training to support forest and watershed work and the biomass facility. These facilities will be a model for serving rural communities. HUD granted a limited waiver modifying 42 U.S.C. 5305(c)(2)(A)(i) to the extent necessary to permit the state to use a percentage of not less than 38 percent to qualify activities under the low-and moderate-income area benefit national objective in the August 7, 2017 Federal Register Notice. The demographics of the declared disaster (MID URN) area, includes a high population of seasonal residents and retirees. The area lacks access to education and jobs, 14.5% of the county residents live in poverty, 12% have not completed high school and 51% of the county households are over age 60.

### MID-URN Areas:

MID-URN AREAS: The Target Area includes the Rim Fire burn and evacuation and evacuation warning areas (Rim Fire Burn Scar, Evacuation Areas) in Census Tracts 06109002200, 06109004100, 06109003100, 06109003200, 06109004200. The State is incorporating resilience and replicability for forest and watershed health activities. This includes, creating fuel breaks, reforestation, biomass removal, rangeland improvements and noxious weed treatments to reestablish carbon storage in living trees, help prevent future fires, reduce invasive species, and provide jobs and revenue to help build a strong rural economy.

The BUF will provide low cost financing to economic development and public facility projects that provide a marketable end-



use for biomass removed from within the county, lessen Tuolumne County’s reliance on imported energy, reducing greenhouse gases, and producing jobs in the region. The Community Resilience Centers (CRCs) will provide social resilience to Tuolumne and surrounding counties. Tuolumne County is a regional leader in responding to disasters, with the region’s only food bank and major evacuation center. Therefore, during emergencies in neighboring counties, they often turn to Tuolumne County for support. The proposed resilience centers will be located in communities selected with input from the residents in the County. The Rim Fire destroyed permanent public infrastructure, including the ingress egress road systems, as well as erosion and landslides that undermine the integrity of the system and wear and tear from ongoing fire recovery efforts have caused additional damage. The Rim Fire destroyed rangelands, fencing, and water troughs that had been in use by cattle ranchers under long-term agreements with the USFS and now prevents grazing in the forest. The damage from the Rim Fire has long-lasting effects well beyond the forests. Local communities, which are closely linked to the health of forests through timber, wood products, the recreation industry and tourism, continue to suffer from the business losses and closures caused by the fire, the direct public health impacts, and depressed property values. Damage to downstream water storage and supply, as well as the long-term implications for carbon storage, all have global effects. From a regional perspective, the Target Area has experienced regular wildfire events, as shown in the Tuolumne Burn History Map. The 1987 Complex Fire burned 157,000 acres in Tuolumne County, much of which burned again in the Rim Fire. Natural regeneration of trees following wildfires that burn as hot as the Complex and Rim fires is often insufficient, resulting in conversion from forest to grass and shrub lands, which are more susceptible to high severity fires and store substantially less carbon than healthy forests. (Maps identified in this section are located in the NDRC application, which is posted on the State of California’s Department of Housing and Community Development NDR website.)

**Key Agencies, Partners, Positions, Personnel:**

Awardee:  
 State of California Department of Housing and Community Development  
 Division of Federal Financial Assistance  
 Geoffrey Ross, Deputy Director  
 Jessica Hayes, Disaster Recovery Branch Chief  
 Susan Naramore, Specialist II  
 Patrick Talbott, HCD Representative II

Current Primary Project Management and Implementation Responsibilities:  
 California Department of Housing and Community Development (HCD) Patrick Talbott, HCD Representative II and Susan Naramore, HCD Specialist II

Technical Assistance and Collaborative Project Partnerships between federal, state and local agencies: The Sierra Nevada Conservancy (SNC)  
 Angela Avery, Executive Officer  
 Elliott Vander Kolk, NDRC Project Coordinator

Fuel Break Activities:  
 California Department of Forestry and Fire Protections (CAL FIRE) Matthew Reischman, Assistant Deputy Director

Community Resilience Center:  
 Tuolumne County  
 Maureen Frank, Deputy County Administrator

United States Forest Service  
 Michael Jow, Rim Fire Restoration Coordinator

California Conservation Corp  
 Amy Cameron, Chief Deputy Director

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	\$0.00	\$70,359,459.00
<b>Total Budget</b>	\$0.00	\$70,359,459.00
<b>Total Obligated</b>	\$0.00	\$69,613,459.00
<b>Total Funds Drawdown</b>	\$7,687.00	\$42,525,054.66
<b>Program Funds Drawdown</b>	\$7,687.00	\$42,525,054.66
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$127,830.20	\$42,574,641.38
<b>HUD Identified Most Impacted and Distressed</b>	\$0.00	\$8,732,420.09



<b>Other Funds</b>	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

## Funds Expended

<b>Overall</b>	<b>This Period</b>	<b>To Date</b>
CA Attorney General	\$ 0.00	\$ 0.00
State of California & CDBG-NDR Program	\$ 0.00	\$ 862,891.80
The Beck Group, Inc.	\$ 0.00	\$ 172,755.00
United States Forest Service	\$ 0.00	\$ 20,591,621.29
California Conservation Corps	\$ 0.00	\$ 246,412.25
California Department of Forestry and Fire Protection	\$ 0.00	\$ 88,519.00
Civix-GCR Inc.	\$ 0.00	\$ 776,397.98
County of Tuolumne	\$ 0.00	\$ 18,506,693.09
HELIX Environmental Planning, Inc.	\$ 0.00	\$ 329,940.00
Rural Community Assistance Corporation	\$ 111,347.20	\$ 325,358.97
Sierra Nevada Conservancy	\$ 16,483.00	\$ 674,052.00
State of California - CDBG Administration	\$ 0.00	\$ 0.00

## Progress Toward Required Numeric Targets

<b>Requirement</b>	<b>Target</b>	<b>Projected</b>	<b>Actual</b>
<b>Overall Benefit Percentage</b>	50.00%	58.19%	27.16%
<b>Overall Benefit Amount</b>	\$32,499,696.00	\$37,825,156.00	\$17,655,191.09
<b>Minimum Supporting Leverage</b>	\$ .00	\$ .00	\$ .00
<b>Minimum Direct Leverage</b>	\$ .00	\$ .00	\$ .00
<b>Limit on Public Services</b>	\$10,553,918.85	\$ .00	\$ .00
<b>Limit on Admin/Planning</b>	\$14,071,891.80	\$5,360,067.00	\$3,516,485.03
<b>Limit on Admin</b>	\$ .00	\$3,517,973.00	\$2,567,791.26
<b>Most Impacted and Distressed</b>	\$70,359,459.00	\$70,186,704.00	\$8,732,420.09

## Overall Progress Narrative:

The Community and Watershed Resilience Program (CWRP) continues to progress toward its overall goal of supporting community protection and resilience from future wildfires. To date, the program has expended over half of its entire grant allocation, and the two Community Resilience Centers (CRCs) are operational. The County has expended approximately 95% of its contract award for the construction of the centers. The United States Forest Service (USFS) has expended over \$20M of work to date on the Forest and Watershed Health Project (FWHP). RCAC has completed the BUF toolkit and is moving forward with submitting closing conditions on the second BUF project. As HCD starts to prepare for grant closeout, the activity toolkits and story map are underway in an effort to support the replicability of these efforts in the future.

## Project Summary

<b>Project #, Project Title</b>	<b>This Report</b>	<b>To Date</b>	
	<b>Program Funds Drawdown</b>	<b>Project Funds Budgeted</b>	<b>Program Funds Drawdown</b>
17-NDR-01, NDR Administration	\$0.00	\$3,517,973.00	\$2,567,791.26
17-NDR-02, Community Resilience Centers	\$0.00	\$18,767,250.00	\$18,173,635.09
17-NDR-03, NDR Forest & Watershed Health	\$5,026.00	\$27,174,236.00	\$21,353,378.54
17-NDR-04, NDR-Biomass Utilization Fund	\$2,661.00	\$20,900,000.00	\$430,249.77
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
NDR-LTC, Long-Term Commitments	\$0.00	\$0.00	\$0.00
NDR-OV, NDR Outcome Values	\$0.00	\$0.00	\$0.00
NDR-SL, Supporting Leverage	\$0.00	\$0.00	\$0.00

## Activities





## Grantee Activity Number: 17-NDR-03c

### Activity Title: NDR Forest & Watershed Health SNC

<b>Activity Type:</b> NDR - Environmental Value	<b>Activity Status:</b> Under Way
<b>Project Number:</b> 17-NDR-03	<b>Project Title:</b> NDR Forest & Watershed Health
<b>Projected Start Date:</b> 05/30/2017	<b>Projected End Date:</b> 09/30/2023
<b>Benefit Type:</b> N/A	<b>Completed Activity Actual End Date:</b>
<b>National Objective:</b> Urgent Need	<b>Responsible Organization:</b> Sierra Nevada Conservancy

Overall	Apr 1 thru Jun 30, 2023	To Date
<b>Total Projected Budget from All Sources</b>	\$0.00	\$178,417.00
<b>Total Budget</b>	\$0.00	\$178,417.00
<b>Total Obligated</b>	\$0.00	\$178,417.00
<b>Total Funds Drawdown</b>	\$5,026.00	\$96,886.00
<b>Program Funds Drawdown</b>	\$5,026.00	\$96,886.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$9,954.00	\$107,344.00
Sierra Nevada Conservancy	\$9,954.00	\$107,344.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$39,546.00

#### Activity Description:

Five activities will take place under the FWHP: 1) fuels reduction and biomass removal; 2) noxious weed abatement; 3) reforestation/tree planting; 4) rangeland infrastructure replacement of fencing, cattle guard crossings, corrals and drinking troughs; 5) expansion of fuel breaks on public and private lands. The FWHP activities will start with noxious weed treatments and fuels reduction activities, including a limited amount of biomass removal. The fuels reduction and weed treatments will be in preparation for tree planting. Rangeland replacement infrastructure will be done with USFS staff, contractors and California Conservation Corp. (CCC) staff. Fuel break expansions on public lands will be done by USFS with NDR funds. Fuel break expansion work on private lands will be done with CAL FIRE state funding. These activities will support healthy, resilient forests through restoration, reforestation and other science-based investments to ensure ecosystems health.

#### Location Description:

Throughout the 254,000 acre Rim Fire burn scar. Census tract numbers for the Forest and Watershed Health project are 06109003100 and 06109003200

#### Activity Progress Narrative:

SNC continues its work with USFS to provide oversight and guidance on implementing the FHWP activities. SNC supported contract development and with the transfer of reporting responsibilities to a new USFS staff person. The FWHP agreement extension with HCD was finalized in Q2 extending the project to 9/24/2024.



## Accomplishments Performance Measures

No Accomplishments Performance Measures

## Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources

No Other Funding Sources Found

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

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Activity Supporting Documents: None

**Project # / 17-NDR-04 / NDR-Biomass Utilization Fund**

**Grantee Activity Number: 17-NDR-04a**  
**Activity Title: Planning - Biomass Utilization Fund**

<b>Activity Type:</b> Planning	<b>Activity Status:</b> Under Way
<b>Project Number:</b> 17-NDR-04	<b>Project Title:</b> NDR-Biomass Utilization Fund
<b>Projected Start Date:</b> 04/01/2017	<b>Projected End Date:</b> 09/30/2023
<b>Benefit Type:</b> Area ( Census )	<b>Completed Activity Actual End Date:</b>
<b>National Objective:</b> NA	<b>Responsible Organization:</b> Rural Community Assistance Corporation

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2023</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	\$0.00	\$1,000,000.00
<b>Total Budget</b>	\$0.00	\$1,000,000.00
<b>Total Obligated</b>	\$0.00	\$1,000,000.00
<b>Total Funds Drawdown</b>	\$0.00	\$205,696.77
<b>Program Funds Drawdown</b>	\$0.00	\$205,696.77
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$111,347.20	\$325,358.97
Rural Community Assistance Corporation	\$111,347.20	\$325,358.97
State of California ¿ CDBG-NDR Program	\$0.00	\$0.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$50,433.53

**Activity Description:**

RCAC will use these planning funds to create a Biomass Utilization Toolkit. The toolkit will provide documentation of the Biomass Utilization Fund development and implementation with sample documents, best practices and lessons learned from working with businesses in this industry sector. The toolkit will be made available to interested parties who wish to develop biomass facilities in their communities.

RCAC will use these activity funds to conduct other planning and capacity building that supports the BUF development and implementation.

**Location Description:**

The location of the Biomass facility(ies) will not be known until the feasibility study has been completed. Until the location is known, the number of persons (Low, Mod and non-Low/Mod) will not be known (if the project moves forward as a public facility, which will not be known until the feasibility study is completed). Percentages of Low/Mod persons within Toulumne County do not meet or exceed 51%; a waiver for the Low/Mod percentages has been requested from HUD.

If the feasibility study indicates the best path for developing the Biomass facility is to make a loan to a for- or non-profit business, the national objective will be jobs and the number of total and low- and/or moderate-jobs created will be reported.



This planning activity will be conducted throughout the County of Tuolumne, census tracts reflected in the following list of type; code; name; and sheets:

TRACT;06109001100;11;1 TRACT;06109001200;12;1 TRACT;06109002100;21;1 TRACT;06109002200;22;1  
 TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1 TRACT;06109004200;42;1  
 TRACT;06109005100;51;1 TRACT;06109005201;52.01;1 TRACT;06109985202;9852.02;1

**Activity Progress Narrative:**

This quarter the toolkit was updated with lessons learned by the two BUF projects. The toolkit serves as a resource detailing the BUF projects, the funding process, lessons learned and program goals. Realizing the projects are still underway, the toolkit will ultimately be updated with final project outcomes. The toolkit will be distributed to stakeholders and partners. RCAC also worked on the future healthy forests loan fund.

**Accomplishments Performance Measures**

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of community engagement	0	0/22
# of Plans or Planning Products	0	1/1

**Beneficiaries Performance Measures**

**No Beneficiaries Performance Measures found.**

**Activity Locations**

**No Activity Locations found.**

**Other Funding Sources**

No Other Funding Sources Found

**Other Funding Sources Budgeted - Detail**

**No Other Match Funding Sources Found**

**Activity Supporting Documents:** None





## Grantee Activity Number: 17-NDR-04d

### Activity Title: NDR Biomass Utilization Fund

<b>Activity Type:</b> NDR - Environmental Value	<b>Activity Status:</b> Under Way
<b>Project Number:</b> 17-NDR-04	<b>Project Title:</b> NDR-Biomass Utilization Fund
<b>Projected Start Date:</b> 05/30/2017	<b>Projected End Date:</b> 09/30/2023
<b>Benefit Type:</b> N/A	<b>Completed Activity Actual End Date:</b>
<b>National Objective:</b> Low/Mod	<b>Responsible Organization:</b> Sierra Nevada Conservancy

Overall	Apr 1 thru Jun 30, 2023	To Date
<b>Total Projected Budget from All Sources</b>	\$0.00	\$107,234.00
<b>Total Budget</b>	\$0.00	\$107,234.00
<b>Total Obligated</b>	\$0.00	\$107,234.00
<b>Total Funds Drawdown</b>	\$2,661.00	\$47,795.00
<b>Program Funds Drawdown</b>	\$2,661.00	\$47,795.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$6,529.00	\$51,663.00
Sierra Nevada Conservancy	\$6,529.00	\$51,663.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

#### Activity Description:

The creation of a Biomass Utilization Fund (BUF) allows RCAC to provide affordable financing to developers who have a financially viable business proposal that meets all CDBG and NDR eligibility standards. The BUF funding can also be used to fund public facility projects in the county that seek to develop alternative sources of energy for their projects. SNC staff will be working with RCAC to administer the BUF and qualify both economic development projects and public facility projects that meet NDR eligibility standards.

#### Location Description:

The location of the Biomass facility will be determined by the feasibility study. The site selection will begin in September, 2018.

County of Tuolumne census tracts are reflected in the following list of type; code; name; and sheets:  
 TRACT;06109002200;22;1 TRACT;06109003100;31;1 TRACT;06109003200;32;1 TRACT;06109004100;41;1  
 TRACT;06109004200;42;1

#### Activity Progress Narrative:

SNC continues its support of RCAC and the BUF projects. This quarter, BUF facilitated regular meetings with the team to ensure projects were advancing, supported RCAC in the development of a closing checklist and in establishing a project closing deadline. The Heartwood construction loan closed at the end of Q2 and they are



expected to begin the process of ordering equipment and seeking reimbursement in Q3.

## Accomplishments Performance Measures

**No Accomplishments Performance Measures**

## Beneficiaries Performance Measures

**No Beneficiaries Performance Measures found.**

## Activity Locations

**No Activity Locations found.**

## Other Funding Sources

No Other Funding Sources Found

## Other Funding Sources Budgeted - Detail

**No Other Match Funding Sources Found**

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**Activity Supporting Documents:** None

## Monitoring, Audit, and Technical Assistance

Event Type	This Report Period	To Date
Monitoring, Audits, and Technical Assistance	0	8
Monitoring Visits	0	8
Audit Visits	0	0
Technical Assistance Visits	0	0
Monitoring/Technical Assistance Visits	0	0
Report/Letter Issued	1	8

