



# Monterey County

## Item No.5

### Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

Legistar File Number: BC 20-159

December 16, 2020

Introduced: 12/10/2020

Current Status: Agenda Ready

Version: 1

Matter Type: Budget Committee

#### **Support that the Board of Supervisors:**

- a. Accept funds for the Community Development Block Grant (CDBG)-CV3, CARES Act through the Housing and Urban Development (HUD) Secretary in the amount of \$1,049,326 and approve an amendment to the FY 19/20 HUD Action Plan to program CARES Act funds.
- b. Authorize and direct the Auditor-Controller to receive funds and amend the FY 20-21 Adopted Budget, General Fund, Fund 001, Housing and Economic Development appropriation unit CAO038 to increase appropriations and revenue by \$1,049,326 financed by the CDBG-CV3 grant funds.
- c. Authorize the HCD Director to submit an application for Homeless, Housing Assistance and Prevention (HHAP) Round II funding through the California Homeless Coordinating Financing Council (HCFC) in the Business Consumers Services and Housing Agency (BCSH) in the amount of \$1,207,830.
- d. Authorize and direct the Auditor-Controller to receive funds and amend the FY 2020-21 Adopted Budget, General Fund, Fund 001, Housing and Economic Development appropriation unit CAO038 to increase appropriations and revenue by \$1,207,830 financed by Homeless, Housing Assistance and Prevention (HHAP) Round II funding through the California Homeless Coordinating Financing Council (HCFC) in the Business Consumers Services and Housing Agency (BCSH).

#### **RECOMMENDATION:**

It is recommended that the Budget Committee support that the Board of Supervisors:

- a. Accept funds for the Community Development Block Grant (CDBG)-CV3, CARES Act through the Housing and Urban Development (HUD) Secretary in the amount of \$1,049,326 and approve an amendment to the FY 19/20 HUD Action Plan to program CARES Act funds.
- b. Authorize and direct the Auditor-Controller to receive funds and amend the FY 20-21 Adopted Budget, General Fund, Fund 001, Housing and Economic Development appropriation unit CAO038 to increase appropriations and revenue by \$1,049,326 financed by the CDBG-CV3 grant funds.
- c. Authorize the HCD Director to submit an application for Homeless, Housing Assistance and Prevention (HHAP) Round II funding through the California Homeless Coordinating Financing Council (HCFC) in the Business Consumers Services and Housing Agency (BCSH) in the amount of \$1,207,830.
- d. Authorize and direct the Auditor-Controller to receive funds and amend the FY 2020-21 Adopted Budget, General Fund, Fund 001, Housing and Economic Development appropriation unit CAO038 to increase appropriations and revenue by \$1,207,830 financed by Homeless, Housing Assistance and Prevention (HHAP) Round II funding through the California Homeless Coordinating Financing Council (HCFC) in the Business Consumers Services and Housing Agency (BCSH).

**SUMMARY/DISCUSSION:**

**CDBG-CV3 CARES Act Funds**

On September 28, 2020, the County was notified that HUD released The Coronavirus Aid, Relief and Economic Security (CARES) Act CDBG-CV3 funds in the amount of \$1,049,326. Cares Act funding is intended to prevent, prepare for, and respond to coronavirus (CDBG-CV grants).

The Department of Social Services (DSS) and Housing staff began working with the United Way on Rental Assistance programs and have participated in regional rental assistance COVID discussions since April 2020. The DSS began their rental assistance program with CARES Act Coronavirus Relief funds in October and dedicated \$1,250,000 to this program. To date, the County expects these funds to be expended by December 30, 2020, which is when the CARES Act Relief funds expire. Staff recommend continuing this program with the full \$1,049,326 in CDBG-CV3 CARES Act funds with the United Way and dedicate the entirety of the allocation to rental assistance.

**HHAP Round II**

The Homeless Coordinating and Financing Council (HCFC) announced the availability of a \$300 million block grant with the Homeless Housing, Assistance and Prevention Round 2 (HHAP-2) in a Notice of Funding Availability (NOFA) dated November 13, 2020. On November 24, 2020, the application for funding was made available to applicants with a due date of January 23, 2021. This grant is over-the-counter and non-competitive. This second round of HHAP funding was authorized by AB 83 (Committee on Budget, Chapter 15, Statutes of 2020) and was signed into law by Governor Gavin Newsom on June 29, 2020. Building on the regional coordination created through previous HCFC grant funding, this funding is intended to support local jurisdictions in their unified regional response to reduce and end homelessness.

The application will request \$1,207,830 in HHAP funding, the use of which will be prioritized to assist people experiencing literal homelessness move into safe, stable housing, with a particular focus on rehousing individuals currently living in Project Roomkey (PRK) sites. HHAP funding should be housing-focused -- either funding permanent housing interventions directly or, if used for shelter or street outreach, have clear pathways to connect people to permanent housing options. HHAP Round 2 is designed to build on regional coordination developed through previous rounds of HCFC Homeless Emergency Aid Program (HEAP), HHAP, and COVID-19 funding. Staff recommends that Round 2 funds be used to continue to build regional coordination and a unified regional response to reduce and end homelessness. HHAP Round II funds may be spent for a period of five years, FY 21-FY 25.

**OTHER AGENCY INVOLVEMENT:**

Housing and Community Development (HCD) is working with the Department of Social Services (DSS) and the Continuum of Care on the HHAP II application to ensure regional homeless goals and needs will be met.

**FINANCING:**

HCD staff time to prepare this report and develop the HHAP funding application is funded by the FY2020-21 Adopted Budget, General Fund, Fund 001, Housing and Economic Development

appropriation unit CAO038. This action increases the FY 2020-21 Adopted Budget for Fund 001, Appropriation Unit CAO038, revenue by \$2,257,156 funded by CDBG grant and HHAP II funds. Any funds not spent in FY 2020-21 will be included in future budget cycles.

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