

**MONTEREY URBAN COUNTY
STANDING COMMITTEE**

MEETING:	December 18, 2020	Agenda Item:	2
SUBJECT:	a. Review and approve Community Development Block Grant (CDBG) CV3, Cares Act funding recommendation and approve this Amendment to the FY 19/20 Action Plan. b. Approve the staff recommendation to utilize CARES Act CDBG-CV3 funds in the amount of \$1,049,326 to provide rental assistance to eligible applicants.		
DEPARTMENT:	Housing and Community Development (HCD), Housing and Community Development		

RECOMMENDATION

It is recommended that the Urban County Standing Committee:

- a. Review and approve Community Development Block Grant (CDBG)-CV3, Cares Act funding recommendation and approve this Amendment to the Fiscal Year 19/20 Action Plan.
- b. Approve the staff recommendation to utilize CARES Act CDBG-CV3 funds in the amount of \$1,049,326 to provide rental assistance to eligible applicants.

SUMMARY & DISCUSSION

On September 28, 2020, the County was notified that HUD released The Coronavirus Aid, Relief and Economic Security Act (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 County reviewed prior recommendations for CARES Act funding on April 17th for programs or projects that prevent, prepare for and respond to the coronavirus. Programs identified and funded were public service food delivery programs, Food Bank, rental assistance, senior programs, acquisition/rehabilitation or rehabilitation of units that can be utilized for to prevent or prepare for and respond to COVID, and other CDBG eligible activities.

CDBG regulations limit the maximum amount of annual grant funding that can be used to fund public services at a maximum of 15%. However, the CARES Act waives the public service cap to meet the needs in the community in the COVID crisis. Staff researched rental assistance programs that are vitally needed at this time.

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 Relief funds in October and dedicated \$1,207,830 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 CDBG-CV3 CARES Act funds with the United Way and dedicate the entirety of the allocation to rental assistance.

The CARES Act permits HUD to waive or specify alternative requirements for any provision of any statute or regulations. The Department is also waiving 24 CFR 91.505 to facilitate the use of

the CDBG-CV funds to the extent necessary to require submission of the substantial amendment to HUD for review in accordance with 24 CFR 91.500. On April 17, 2020, the Urban County Standing Committee approved to update the County's Citizen Participation Plan to accommodate the waiver. The County intends to implement specific caveats in the waiver that allow the County to utilize a streamlined substantial amendment process to plan and allocate emergency funding to respond to the impacts of the COVID-19 pandemic that include the following:

- Reasonable Noticing: The County will publish a notice on the County of Monterey Housing and Economic Development Division of the County Administrative Office website at least five days prior to the availability of substantial amendment documents for public review and the conducting of a public hearing.
- Public Review Comment: A five-day public comment period will be provided.
- Public Hearing: A virtual public hearing will be considered adequate.

Prepared by:

Anastacia Wyatt

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Housing Program Manager

(831) 755-5387