



County of Monterey

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

Board Report

File #: 20-421, Version: 1

- a. Conduct a public hearing, close the public comment period, and approve amendments to Monterey County's Community Development Block Grant (CDBG) Program Annual Action Plans to 1) amend the Urban County's Fiscal Year (FY) 2019-2020 CDBG Program Annual Action Plan in the amount of \$816,541; 2) amend the Urban County's 2013-2020 Consolidated Plan to accept Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds into the FY 2019-2020 CDBG Annual Action Plan and; 3) as part of this amendment accept the revisions to the Citizen Participation Plan to include the CARES Act 5-day comment period and updates to the plan;
- b. Authorize the Auditor-Controller to amend the Fiscal Year 19/20 CDBG grant, Unit 013-1050-8518-CA0042, increasing appropriations and estimated revenue by \$816,541, funded by the augmentation of grant revenues from CARES Act funds (4/5ths vote required).
- c. Approve the Urban County Committee's April 24th recommendation to use the \$816,541 in CARES Act CDBG funds for the following CDBG eligible activities : Food Bank for food supplies and the purchase of a truck to deliver food supplies (\$721,541), Meals on Wheels (\$50,000), Echo Housing for Tenant/Landlord services (\$15,000), United Way 211 (\$15,000), and Legal Services for Seniors for Tenant/Landlord services (\$15,000); and
- d. Authorize the Housing Program Manager to submit the third Substantial Amendment to the FY 19/20 Annual Action Plan to the U.S. Department of Housing and Urban Development. (ADDED VIA ADDENDA)

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Conduct a public hearing, close the public comment period, and approve amendments to Monterey County's Community Development Block Grant (CDBG) Program Annual Action Plans to 1) amend the Urban County's Fiscal Year (FY) 2019-2020 CDBG Program Annual Action Plan in the amount of \$816,541; 2) amend the Urban County's 2013-2020 Consolidated Plan to accept Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds into the FY 2019-2020 CDBG Annual Action Plan and; 3) as part of this amendment accept the revisions to the Citizen Participation Plan to include the CARES Act 5-day comment period and updates to the plan;
- b. Authorize the Auditor-Controller to amend the Fiscal Year 19/20 CDBG grant, Unit 013-1050-8518-CA0042, increasing appropriations and estimated revenue by \$816,541, funded by the augmentation of grant revenues from CARES Act funds (4/5ths vote required).
- c. Approve the Urban County Committee's April 24th recommendation to use the \$816,541 in CARES Act CDBG funds for the following CDBG eligible activities : Food Bank for food supplies and the purchase of a truck to deliver food supplies (\$721,541), Meals on Wheels (\$50,000), Echo Housing for Tenant/Landlord services (\$15,000), United Way 211 (\$15,000), and Legal Services for Seniors for Tenant/Landlord services (\$15,000); and
- d. Authorize the Housing Program Manager to submit the third Substantial Amendment to the FY 19/20 Annual Action Plan to the U.S. Department of Housing and Urban Development.

SUMMARY/DISCUSSION:

On March 27, 2020, Congress passed the CARES Act, Public Law 116-136, to directly address the impacts of the COVID-19 Coronavirus. As part of the CARES Act, Congress appropriated \$5 billion in Community

Development Block Grant Coronavirus (CDBG-CV) funds. Of this amount, the U.S. Housing and Urban Development (HUD) has immediately allocated \$2 billion, based on the fiscal year 2020 CDBG formula. The remaining \$3 billion will be allocated on need, using best available data in the following tranches, or portions:

- \$1 billion will be allocated States and insular areas within 45 days of enactment of the CARES Act
- \$2 billion will be distributed to states and local governments at the discretion of the HUD Secretary.

Additionally, HUD has issued waivers of certain regulatory requirements related to Consolidated Plan and Citizen Participation requirements. Specifically, the County will be utilizing two of these waivers to expedite the use and implementation of these funds:

1. Citizen Participation Plan Comment Period - this waiver grants a reduction of the required 30-day comment period to no less than five (5) days.
2. Citizen Participation Reasonable Notice and Opportunity to Comment - this waiver allows the County to determine, outside the adopted Citizen Participation Plan, what constitutes reasonable notice and opportunity to comment during its efforts to limit public gatherings and expedite the use of funds.

The County of Monterey has been allocated \$816,541 in the first allocation of CDBG-CV funds. These funds are supplemental to the annual allocations of CDBG funds the County receives and shall specifically be used to prevent, prepare for, and respond to COVID-19. The County's Housing and Economic Development Division under the County Administrative Office met with the Urban County CDBG Committee on April 9, 17th, and 24th. The meetings were through Zoom and open to the public. Comments on the funding priorities were received and considered to determine CDBG-CV priorities. The County is required to direct a minimum of 70% of the funding to low-moderate income persons and households, per CDBG regulations.

HUD is not limiting the funding that may go to public service activities, which include, but are not limited to, those concerned with preventing homelessness, costs associated with the operation of food banks, meal delivery services for homeless, tenant/landlord services, low-moderate income, elderly or disabled persons and other services in support of other COVID-19 response services.

This amendment to the FY 19/20 Action Plan will enable the County of Monterey to receive additional CARES Act funding and administer \$816,541 in CDBG funding from HUD made available through the CARES Act.

The County intends to fund the following activities with the \$816,541 CARES Act CDBG funds: Food Bank for food supplies and the purchase of a truck to deliver food supplies (\$721,541), Meals on Wheels (\$50,000), Echo Housing for Tenant/Landlord services (\$15,000), United Way 211 (\$15,000), and Legal Services for Seniors for Tenant/Landlord services (\$15,000).

Additional CDBG funding made available to the County by HUD through the CARES Act is unknown as this time but will be used for the same purpose of the initial allocations indicated above which is to prevent the spread of coronavirus 19 (COVID-19) and facilitate assistance to eligible communities, households, and persons economically impacted by COVID-19.

Further, eligible CDBG costs incurred as of March 27, 2020, which is the date on which President Trump signed the CARES Act and paid for with nonfederal funds may be repaid with CDBG funding, including those made under the CARES Act. These pre-award costs will meet all HUD requirements applicable to CDBG, including those under the CARES Act. Unless waived by HUD, CDBG pre-award costs for FY 2020-2021 will not exceed 25% of the grant and will be used only for the CDBG eligible activities indicated above.

OTHER AGENCY INVOLVMENT

The Housing and Economic Development Program in the County Administrative Office coordinated with the Department of Social Services to ensure that funding to the Food Bank was coordinated as the Board has also dedicated \$500,000 from the general fund to the Food Bank. Due to mass job losses in the County, that additional funding to the Food Bank is necessary.

FINANCING:

This action increases appropriations in the Fiscal Year 19/20 by \$816,541 in 013-1050-8518-CA0042, financed by an increase in grant revenues from the CARES Act funds. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This action meets the Health and Human Services Strategic Initiative to improve health and quality of life through County-supported policies, programs, and services by promoting access to equitable opportunities for healthy choices and healthy environments.

Mark a check to the related Board of Supervisors Strategic Initiatives

☐ Economic Development
☐ Administration
☒ Health & Human Services
☐ Infrastructure
☐ Public Safety

Prepared by: _____
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Approved by: _____
Nicholas E. Chiulos, Assistant County Administrative Officer, Ext. 5145

Attachments:
Board Report
Attachment A - Draft Citizen Participation Plan
Attachment B - Public Notice to Amend Consolidated Plan
Attachment C - Resolution
Resolution