

A SECOND PROPOSED CDBG SUBSTANTIAL AMENDMENT
TO THE 2015-2020 FIVE-YEAR CONSOLIDATED PLAN
AND THE 2019-2020 ANNUAL ACTION PLAN
DRAFT FOR PUBLIC REVIEW NOVEMBER 9, 2020

Jurisdiction: City of Carson, California	CDBG Contact Person: Keith Bennett
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Summary

The City of Carson proposes to further amend its 2015-2020 Five-Year Consolidated Plan and 2019-2020 Annual Action Plan to allocate newly-awarded Community Development Block Grant (CDBG) funds pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted by the United States Congress on March 25, 2020 and signed by the President on March 27, 2020.

Amendment of the Five-Year Consolidated Plan and Annual Action Plan is necessary because the proposed revision would result in an increase or decrease of an activity allocation in excess of \$300,000, and represents a new activity or activities not previously identified in the Five-year Consolidated Plan. Under the City's CDBG Citizen Participation Plan, a change in an activity meeting both those criteria requires a Substantial Amendment to a Five-Year Consolidated Plan and an Annual Action Plan.

Fiscal Impact

The U. S. Department of Housing and Urban Development (HUD) has notified the City of Carson that it will receive a total of \$679,161 in a second supplemental appropriation of CDBG funds under the CARES Act. (This would be in addition to an earlier appropriation of \$472,890 under the CARES Act.) The primary stipulation associated with this CARES Act CDBG funding (referred to as CDBG-CV) is that it be used to prevent, prepare, and respond to the effects of the

Coronavirus (COVID-19) pandemic. This \$679,161 is funding that had not previously been budgeted.

New Activities and Funding Allocations

The City proposes to allocate the \$679,161 in CDBG-CV funding to the following programs:

Business Assistance Program: The City proposes to allocate \$171,113 from this second CDBG-CV appropriation to a program to assist small Carson businesses who have suffered negative impacts from the COVID-19 pandemic. Eligible expenses would include such items as rent, working capital, and utilities, as well as physical improvements to the interior of the businesses to enable them to comply with post-pandemic health and safety regulations. This allocation would, along with \$113,493 from the earlier CDBG-CV appropriation, provide additional funding to a program that the City established with an allocation of \$193,236 in CDBG funding included in its 2020-2021 Annual Action Plan presently approved by HUD.

Emergency Rental Assistance: The City proposes to allocate \$171,113 from this second CDBG-CV appropriation to a program of emergency rental assistance to low- and moderate-income Carson residents facing imminent threat of eviction as a result of loss of income related to the pandemic, as well as to senior residents similarly in peril of eviction. (Under HUD regulations, seniors are presumed to be of low and moderate income.) This program was initially established with \$264,819 from the earlier CDBG-CV appropriation. When this program was established, assistance was limited to a maximum of \$1,000 per month for a maximum of three months (a maximum of \$3,000 per household). Staff now proposes to remove the limit on the number of months for which assistance is provided, and increase the maximum amount of assistance to \$10,000.

Delivery of Meals and Household Items to Seniors: The City proposes to allocate \$171,113 from this second CDBG-CV appropriation for a program to provide delivery of meals and essential household supplies to senior citizens who are homebound because of the potential effects of the coronavirus on their vulnerable medical conditions.

Homelessness Prevention Services: The City proposes to allocate \$30,000 from this second CDBG-CV allocation to services to assist Carson residents who are experiencing homelessness or are at risk of homelessness as a result of the COVID-19 pandemic. Services would include:

- Move-in Assistance (application fees, security deposits, first month's rent)
- Shelter Expenses (food and transportation expenses, including bus and transit passes)
- Short-term hotel/motel expenses for gap shelter
- Case management expenses for diversion, prevention, navigation, placement, and retention
- Educational materials for instruction on financial literacy

Planning and Administration: Per CDBG regulations, a maximum of 20% of allocated funds may be used for program planning and administration purposes. That 20% maximum from this second CDBG-CV appropriation totals \$135,822. (Added to the \$84,578 share from the earlier

CDBG-CV appropriation, this brings the total CDBG-CV allocation for planning and administration purposes to \$230,400.)

Eligibility

The activities to which funding would be allocated under the proposed Substantial Amendment constitute eligible uses of CDBG funds as permitted under 24 CFR 570.201 (e) and 24 CFR 570.201 (f) (2) (iii).

Activities to Be Affected by the Change

CDBG-CV Activity	First Allocation	Proposed Second Allocation	Total
Assistance to local businesses	\$113,493	\$171,113	\$284,606
Emergency rental assistance	\$264,819	\$171,113	\$435,932
Delivery of meals and essential items to seniors	\$0	\$171,113	\$171,113
Homelessness prevention services	\$0	\$30,000	\$30,000
Planning and administration	\$ 94,578	\$135,822	\$230,400

Impact on 2015-2020 Five-Year Consolidated Plan and 2019-2020 Annual Action Plan Goals and Objectives

The 2015-2020 Five-Year Consolidated Plan included a goal of Maintain and Promote Neighborhood Preservation, which included within it a goal outcome indicator of seven neighborhood-serving businesses with exterior façade improvements over the five-year period (two within the current year's Annual Action Plan). However, due to difficulties in generating program interest, that particular program fell short of these targets. The business assistance program established by the initial allocation of CDBG-CV funds is not limited to neighborhood-serving businesses and covers a broader list of improvements. It is anticipated that the additional CDBG-CV funding will provide assistance to a minimum of 15 business entities. (The initial CDBG-CV funding was projected to assist 10 businesses, and the aforementioned 2020-2021 CDBG funding was projected to assist 15 businesses.)

With regard to the 2015-2020 Five-Year Consolidated Plan and 2019-2020 Annual Action Plan goal of Provide Decent Affordable Housing, the City's focus had, prior to the onset of the Coronavirus pandemic, been on the preservation of affordable owner-occupied housing through rehabilitation. The establishment of an emergency rental assistance program through the initial CDBG-CV appropriation shifted the focus to the stock of affordable rental housing units in the city, and established a new target as reflected in a goal outcome indicator of 75 household units assisted. The combination of the proposed allocation of additional CDBG-CV funding and the revision in the maximum permissible assistance would revise this target to approximately 50.

The 2015-2020 Five-Year Consolidated Plan and 2019-2020 Annual Action Plan did not set specific goals for services to the homeless as that has been primarily carried out by a network of agencies coordinated by the Los Angeles Homeless Services Authority (the lead agency for the

Los Angeles Continuum of Care), including agencies such as Harbor Interfaith Services and People Assisting the Homeless. However, the program to be established by the proposed allocation of new CDBG-CV funds would serve an estimated 10 families.

The 2015-2020 Five-Yea Consolidated Plan and 2019-2020 Annual Action Plan included a goal of Support Special Needs Programs and Services, and set a target of assisting 6,125 persons over the five-year period (a target that was well exceeded). The program of delivering meals and essential items to seniors is anticipated to serve an additional 100 persons.

Public Comment

HUD has provided for a waiver of the normal 30-day public review and comment period for Substantial Amendments in the case of CARES Act supplemental allocations. That waiver provided for a five-day public review and comment period for CARES Act Substantial Amendments. In accordance with this waiver, the City of Carson is issuing a Notice of Public Hearing on November 9, 2020 that a Public Hearing would be held on this Substantial Amendment by the Carson City Council on November 17, 2020. That Notice of Public Hearing stated that this Substantial Amendment would be available for public review and comment for a period beginning November 10, 2020 and ending November 16, 2020.

Public comments regarding the proposed CDBG Substantial Amendment during the aforementioned public review and comment period are pending.

Attachments: Notice of Public Hearing

**NOTICE OF PUBLIC HEARING
PROPOSED COMMUNITY DEVELOPMENT BLOCK GRANT SUBSTANTIAL AMENDMENT
TO THE 2015-2020 FIVE-YEAR CONSOLIDATED PLAN
AND 2019-2020 ANNUAL ACTION PLAN**

NOTICE IS HEREBY GIVEN that the City Council of the City of Carson, California will conduct a public hearing on a proposed Substantial Amendment to the City's 2015-2020 Five-Year Consolidated Plan and 2019-2020 Annual Action Plan. Said public hearing will take place during a regular meeting of the City Council to be held at the following date, time and place:

DATE: Tuesday, November 17, 2020
TIME: 6:00 P. M., or as soon thereafter as is practicable
PLACE: Helen Kawagoe Council Chambers, Carson City Hall
701 East Carson Street
Carson, California 90745

Due to the current Coronavirus public health emergency, no members of the public are being permitted entry into the Council Chambers during this public hearing. To facilitate public participation, however, this hearing will be available by livestream on the City's website (<http://ci.carson.ca.us>), and broadcast on cable television channels 35 (Spectrum) and 99 (AT&T). Members of the public wishing to provide comment for this public hearing may do so as follows:

- **E-mail:** Comments may be e-mailed to cityclerk@carson.ca.us no later than 3:00 P. M. on the date of the meeting. Please identify the Agenda Item you wish to address in your comments. Your comments will be read into the record.
- **Box outside of City Hall:** Hand-written comments may be provided by placing them in a box for that purpose located in front of City Hall (701 East Carson Street) no later than 3:00 P. M. on the date of the meeting. Please identify the Agenda Item you wish to address in your comments. Your comments will be read into the record.
- **Telephone prior to meeting:** Comments may be recorded at (310) 952-1720 no later than 3:00 P. M. on the date of the Council meeting. Please identify the Agenda Item you wish to address in your comments. Your comments will be read into the record.
- **Telephone during meeting:** Call the main City Hall telephone number, (310) 830-7600, during the public comments portion of the Council meeting. You will be placed into a holding queue in the order in which your call is received (comments are limited to three minutes).

The proposed Substantial Amendment is to allocate newly-awarded Community Development Block Grant (CDBG) funds pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted by the United States Congress on March 25, 2020 and signed by the President on March 27, 2020. Amendment of the Five-Year Consolidated Plan and Annual Action Plan is necessary because the proposed revision would result in an increase or decrease of an activity allocation in excess of \$300,000, and represents a new activity not previously identified in the Five-Year Consolidated Plan. Under the City's CDBG Citizen Participation Plan, a change in an activity meeting both those criteria requires a Substantial Amendment to a Five-Year Consolidated Plan and an Annual Action Plan.

The detailed Substantial Amendment will be available for public review and comment for a period that commences on Tuesday, November 10, 2020 and closes Monday, November 16, 2020, at the Office of the City Clerk and the Community Development Department, both located in Carson City Hall, 701 East Carson Street, Carson, California 90745. The proposed Substantial Amendment will also be made available on the City's website: <http://ci.carson.ca.us>. To obtain a copy of the proposed Substantial Amendment, contact Keith Bennett in the City's Community Development Department at (310) 830-7600, extension 1319, or via e-mail at kbennett@carson.ca.us.

A summary of all public comments received during the public comment period, as well as at the public hearing, will be incorporated into the final document prior to its submission to the U. S. Department of Housing and Urban Development.

Dated: This 9th day of November, 2020.

Donesia L. Gause-Aldana, MMC
City Clerk