A THIRD PROPOSED CDBG SUBSTANTIAL AMENDMENT TO THE 2019-2020 ANNUAL ACTION PLAN DRAFT FOR PUBLIC REVIEW MARCH 18, 2021 (REVISED APRIL 12, 2021)

Jurisdiction: CDBG Contact Person:

City of Carson, California Keith Bennett

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Summary

The City of Carson proposes to further amend its 2019-2020 Annual Action Plan to reallocate previously-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 revisions meet one or more of the following criteria:

- an increase or decrease greater than 100% of the activity allocation if the allocation is \$50,000 or more as listed in a published Five-Year Consolidated Plan or Annual Action Plan, or as amended.
- an increase or decrease greater than \$50,000 of the activity allocation if the allocation is less than \$50,000 as listed in a published Five-Year Consolidated Plan or Annual Action Plan, or as amended.

Under the City's CDBG Citizen Participation Plan, a change in an activity meeting either of those criteria requires a Substantial Amendment to an Annual Action Plan.

Fiscal Impact

The U. S. Department of Housing and Urban Development (HUD) has provided the City of Carson with two supplemental appropriations of CDBG funds under the CARES Act totaling \$1,152,051. 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. City Council had approved two previous Substantial Amendments associated with this funding; on June 23, 2020 (for \$472,890) and on November 17, 2020 (for \$679,161).

The \$1,152,051 was previously allocated as follows:

- Business Assistance. A program to assist small Carson businesses that have suffered negative impacts from the COVID-19 pandemic: \$284,606.
- Emergency Rental Assistance. 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: \$435,932.
- Delivery of Meals and Household Items to Seniors. 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 (popularly known as "Essentials to Go 2.0"): \$171,113.
- Homelessness Prevention Services, Services to assist Carson residents who are experiencing homelessness or are at risk of homelessness as a result of the COVID-19 pandemic: \$30,000.
- Planning and Administration. Per CDBG regulations, a maximum of 20% of allocated fuds may be used for program planning and administration purposes: \$230,400,

Proposed Funding Reallocations

The City proposes to reallocate CDBG-CV funding as follows:

- From Emergency Rental Assistance to Business Assistance: \$100,000,
- From Delivery of Meals and Household Items to Seniors to Business Assistance: \$89,673.

Eligibility

The activities to which funding would be reallocated under the proposed Substantial Amendment had been determined previously to 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

	Previous	Revised
CDBG-CV Activity	Allocation	Allocation
Assistance to local small businesses	\$284,606	\$444,279
Emergency rental assistance	\$435,932	\$335,932

Delivery of meals/essential items to seniors (Essentials to Go 2.0)	\$171,113	\$ 81,440
Homelessness prevention services	\$30,000	\$60,000
Planning and administration	\$230,400	\$230,400

Impact on 2019-2020 Annual Action Plan Goals and Objectives

The Small Business Assistance Program aligns with the Annual Action Plan goal of Maintain and Promote Neighborhood Preservation, and established a target of assisting 25 businesses. Indications are that this target has already been met, and the revised funding would revise this target to a minimum of 45 businesses.

With regard to the 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 trough rehabilitation. The establishment of an emergency rental assistance program through CDBG-CV funding shifted the focus to the stock of affordable rental housing units in the city. Revisions in the maximum permissible assistance revised the target to approximately 50 households assisted. The proposed reallocation of funding would revise this target to approximately 40.

The 2019-2020 Annual Action Plan included a goal of Support Special Needs Programs and Services, and set a target of assisting 1,225 persons over the course of that year (a target that was well exceeded). With the relocation in funding, the program of delivering meals and essential items to seniors is anticipated to serve an additional 50 persons (down from the original projection of 100).

Public Comment

While 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, and that waiver provided for a five-day public review and comment period for CARES Act Substantial Amendments, the City is providing the normal 30-day review and comment period in the case of this Substantial Amendment. The reason for this is that the City is also proposing s Substantial Amendment to the 2020-2021 Annual Action Plan for CDBG entitlement funding, and finds it prudent to address both Substantial Amendments at the same Public Hearing. Accordingly, the City of Carson is issuing a Notice of Public Hearing on March 18, 2021that a Public Hearing would be held on this Substantial Amendment by the Carson City Council on April 20, 2021. That Notice of Public Hearing stated that this Substantial Amendment would be available for public review and comment for a period beginning March 18, 2021 and ending April 19, 2021.

A summary of public comments received regarding the proposed CDBG Substantial Amendment will be attached to the final version of the Substantial Amendment submitted to HUD.

Attachments: Notice of 30-Day Comment Period/Notice of Public Hearing

NOTICE OF 30-DAY COMMENT PERIOD NOTICE OF PUBLIC HEARING

PROPOSED COMMUNITY DEVELOPMENT BLOCK GRANT SUBSTANTIAL AMENDMENTS TO THE 2019-2020 ANNUAL ACTION PLAN AND 2020-2021 ANNUAL ACTION PLAN

NOTICE IS HEREBY GIVEN that the City Council of the City of Carson, California will conduct a public hearing on proposed Substantial Amendments to the City's 2019-2020 and 2020-2021 Annual Action Plans. 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, April 20, 2021

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:

- <u>E-mail</u>: Comments may be e-mailed to <u>cityclerk@carson.ca.us</u> 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.
- <u>Telephone prior to meeting</u>: 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.
- <u>Telephone during meeting</u>: 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 Amendments are to reallocate previously-awarded Community Development Block Grant (CDBG) entitlement funds, as well as previously-awarded supplemental CDBG funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Amendment of these Annual Action Plans is necessary because the proposed revisions meet one or more of the following criteria:

 an increase or decrease greater than 100% of the activity allocation if the allocation is \$50,000 or more as listed in a published Five-Year Consolidated Plan or Annual Action Plan, or as amended. an increase or decrease greater than \$50,000 of the activity allocation if the allocation is less than \$50,000 as listed in a published Five-Year Consolidated Plan or Annual Action Plan, or as amended.

Under the City's CDBG Citizen Participation Plan, a change in an activity meeting either of those criteria requires a Substantial Amendment to an Annual Action Plan.

The detailed Substantial Amendments will be available for public review and comment for a period that commences on Thursday, March 18, 2021 and closes Monday, April 19, 2021, 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 Amendments will also be made available on the City's website: http://ci.carson.ca.us. To obtain a copy of the proposed Substantial Amendments, 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 documents prior to their submission to the U. S. Department of Housing and Urban Development.

Dated:	This 18th day of March, 20	21.
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