

City of Menifee



Community Development Block Grant Coronavirus (CDBG-CV)

AMENDMENT TO PY 2019/2020 ANNUAL ACTION PLAN

Public Comment Period: June 12 – 16, 2020
CITY COUNCIL RESOLUTION NO. _____

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**SUBSTANTIAL AMENDMENT TO
PY 2019/2020 ANNUAL ACTION PLAN
TO ADD COMMUNITY DEVELOPMENT BLOCK GRANT-CORONAVIRUS
(CDBG-CV) FUNDS AND ACTIVITIES**

EXECUTIVE SUMMARY

On March 27, 2020, the United States Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), H.R. 748. The bill provided \$5 billion in Community Development Block Grant (CDBG) funds to rapidly respond to COVID-19. At this time, the Federal Register and final guidance from HUD has not been provided; the Substantial Amendment is drafted with the guidance from HUD that has been available, including that the CDBG-CV funds allocated under the CARES Act must be used for preparation for, prevention of, and response to the COVID-19.

The City of Menifee will receive \$307,232 in Community Development Block Grant-Coronavirus (CDBG- CV) funding. A Substantial Amendment to the 2019/2020 Annual Action Plan is required; and is being amended here to satisfy that requirement.

Substantial Amendments are required to follow the City's Citizen Participation Plan, which, under normal circumstances, requires a public comment period for the Substantial Amendment of 30 days. However, to more quickly implement the funds and activities of the CDBG-CV, the U. S. Department of Housing and Urban Development (HUD) has waived that requirement with amendment to the City's Citizen Participation Plan, reducing the public comment period to five (5) days. Further, HUD is allowing the Citizen Participation Plan and the Substantial Amendment to the 2019/2020 Annual Action Plan to run concurrently.

All CDBG-CV activities must still meet a National Objective of the CDBG Program:

- Benefit low-and-moderate income people
- Aid in the prevention or elimination of slum or blight
- Meet an urgent need

OTHER ADMINISTRATIVE CHANGES

The CARES act bill included the following administrative changes

- Removed the requirement for in-person public hearings (with amendment of the Citizen Participation Plan) to comply with national and local social gathering requirements and stay-at-home orders and to all for virtual public hearings.
- A reduced public comment period (again, with amendment of the Citizen Participation Plan) from 30 days to five (5) days.
- Elimination of the cap on the amount of funds a grantee can spend on public services (for CDBG grant years 2019 and 2020 and CDBG-CV funds only). The cap is generally 15%.
- Allowed for grantees to be reimbursed COVID-19 response activities regardless

of the date the costs were incurred.

CITIZEN PARTICIPATION

A Notice of Public Hearing and a 5-day public review period was published in the Press Enterprise and La Prensa on June 12, 2020 informing the public of the proposed Substantial Amendment and inviting comments at the public hearing. The public review period began on June 12, 2020 and ended on June 16, 2020. Citizens were able to review copies of the Draft Substantial Amendment and Citizen Participation Plan on the City’s website at <https://www.cityofmenifee.us/421/CDBG-Program> .

CHANGES TO THE 2019/2020 ANNUAL ACTION PLAN ACTIVITIES

City staff is recommending that the 2019/2020 Annual Action Plan be amended to add the CDBG-CV grant as a resource and allocate the funds, as noted in the table below.

CDBG-CV	ALLOCATION
Program CDBG-CV	\$307,232
PUBLIC SERVICES	
Grants to Public Service Agencies for activities to prevent, prepare for or respond to the spread of COVID-19 to include but not limited to the following types of services:	
Public Service Food Activities - Assist with meal expenses and operating costs for the food bank, local city agency, Community-Based Organization, and other food delivery organization.	\$100,000
Computer Lab - Increase job opportunity through job search and training programs, provide equipment, supplies, and materials necessary to carryout job search and training.	\$50,000
SMALL BUSINESS ASSISTANCE	
Small Business Grants -Provide financial assistance to stabilize businesses, and retain/create jobs.	100,000
PLANNING & ADMINISTRATION - 20% of Grant	
General Administration and Planning of the CDBG-CV Grant.	30,232
UNIDENTIFIED FUNDS - FUTURE ALLOCATION	
	27,000
<i>Total CDBG-CV allocation</i>	\$307,232

PUBLIC COMMENTS

All public comments received during the 5-day public review period or at the public hearing will be incorporated into the overall Substantial Amendment submitted to HUD.