



The City of La Habra
Community Development Department

2019-2020 ACTION PLAN – SUBSTANTIAL AMENDMENT
Addition of Community Development Block Grant – CARES Act
(CDBG-CV) Allocation

DRAFT FOR PUBLIC COMMENT PERIOD
May 14 – May 18, 2020

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Executive Summary

Background

Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the President signed it on March 27, 2020 authorizing \$2.2 trillion in a variety of stimulus measures to prevent, prepare for, and respond to the COVID-19 pandemic. The law includes a special allocation of the Community Development Block Grant (CDBG-CV) to enable communities to effectively address the impact of COVID-19 on their communities, especially low- and moderate-income residents.

Sources

The City of La Habra will receive the following grants from HUD under the CARES Act:

CDBG-CV	\$400,188
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These funds are separate and distinct from the City’s regular CDBG funds. As of April 30, 2020, HUD continues to release guidance for these programs containing modified program requirements. Subject to the CARES Act and emerging policy from HUD, the City Council is responsible for determining how CDBG-CV funds will be used to prevent, prepare and respond to the COVID-19 virus. In consultation with key City departments and partners serving the needs of low- and moderate-income in the community, this submission to the City Council requests approval to invest CARES Act funding for the CDBG-CV projects listed below.

Proposed Uses of Community Development Block Grant (CDBG-CV)

Rental and Mortgage Assistance:	\$220,188
Small Business Support and Technical Assistance:	\$140,000
Program Administration:	\$40,000

Process

Given the urgency to design and launch programs with the CDBG-CV allocation, the CARES Act authorized grantees with the flexibility of providing 5-day public review periods and the authority to use virtual public hearings to fulfill applicable public hearing requirements. On March 31, 2020, HUD issued a memo authorizing grantees to modify public review and hearing requirements to comply with this flexibility. The City of La Habra requested the use of these waivers on April 16, 2020 and received approval from HUD on April 18, 2020 to utilize them.

As such, the City of La Habra is conducting a 5-day review period for this substantial amendment from May 14 – May 18, 2020. The City will conduct a virtual public hearing for the substantial amendment as part of the May 18, 2020 City Council meeting.

To encourage review and comment on the proposed activities, the City of La Habra published notices advertising the substantial amendment in the Orange County Register and Excelsior newspapers. The City posted this amendment on the City’s website for review and comment.

To ensure reasonable participation in the public hearing, the meeting will be broadcast live on Channel 3 as well as through the City’s website. Additionally, residents can listen to the public hearing via teleconference. Residents can submit comments via email or mail during the public review period. Additionally, residents can submit comments during the public hearing either by emailing questions to the City Clerk (cc@lahabraca.gov) no later than 5:15pm on May 18, 2020 or by calling into the City Council meeting and providing comments when prompted by the City Clerk.

Sort Order	Activity	Target Population	Summary	Summary of Comments Received
1.	Public Hearing	<ul style="list-style-type: none"> • Minorities • Non-English Speaking • Persons with disabilities • Broad community • Residents of public/assisted housing • Stakeholders 	The City conducted its public hearing to review the Substantial Amendment to the 2019 Action Plan on May 18, 2020.	(to be completed after public hearing)
2.	Comment Period	<ul style="list-style-type: none"> • Minorities • Non-English Speaking • Persons with disabilities • Broad community • Residents of public/assisted housing • Stakeholders 	The City conducted its 5-day comment period from May 14 – May 18, 2020	(to be completed at close of public comment period)

Table 1 – Resident Engagement

Expected Resources – 91.220(c)(1,2)

Introduction

For the special allocation of CDBG-CV resources, the City anticipates it will receive an allocation of \$400,188. If HUD authorizes additional resources, the City will further amend this Action Plan.

Anticipated Resources

Program	Source of Funds	Use of Funds	CARES Act Allocation	Narrative Description
CDBG-CV	Public-Federal	<ul style="list-style-type: none">• Planning and Administration• Economic Development• Housing• Public Services	\$400,188	CDBG activities to address the impact of COVID-19 in La Habra

Table 2 - Expected Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In the initial planning and programming of these resources, the Community Development Department has worked closely with other city departments as well as County, State, and Federal partners to identify other available resources authorized through the CARES Act, the Small Business Administration (SBA), and Federal Emergency Management Agency (FEMA) that can be leveraged to maximize the impact of the CDBG-CV resources.

Annual Goals and Objectives – 91.220(c)(3)

To allocate the CDBG-CV program, the City of La Habra has established one new goal for the 2019 Annual Action Plan.

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	COVID-19 Response	2019	2022	Affordable Housing; Non-Housing Community Development	Citywide	COVID-19 Impact	\$400,188	48 households; 10 businesses; 45 persons

Table 3 – Annual Goals

Projects – 91.220(d)

Introduction

With the CDBG-CV allocation, the City of La Habra will fund the following projects.

Projects

#	Project Name
1	Program Administration
2	Rental and Mortgage Assistance
3	Small Business Support and Technical Assistance

Table 4 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

These projects were determined in consultation with City staff, departments, and stakeholders serving low- and moderate-income residents of La Habra to identify critical needs resulting from COVID-19 within the City.

Project Summary Information

1	Project Name	Program Administration
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG: \$40,000
	Description	Overall administration of the CDBG-CV Program including: completion of grant application, oversight of citizen participation process, development of annual funding contracts with agencies, set up of projects in HUD funds disbursement system and draw down funds, implementation of projects and compliance with HUD reporting requirements. Eligibility of this activity is based on Section 105(a)(13) of HUD's regulation.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	n/a
	Location Description	Activities will be managed from City offices.
	Planned Activities	Planning and Administration of the CDBG-CV Program.

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2	Project Name	Rental and Mortgage Assistance
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG: \$220,188
	Description	Through this program, the City will provide short-term (3 months) of rental or mortgage assistance to households adversely impacted by COVID-19.
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 48 low- and moderate-income households will benefit from this activity
	Location Description	Citywide
	Planned Activities	This program will provide immediate rental or mortgage assistance to low- and moderate-income households that were adversely impacted by COVID-19 and are unable to pay rent or mortgage payments and will be at risk of eviction or foreclosure when current housing eviction moratoriums expire.
3	Project Name	Small Business Support and Technical Assistance
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG: \$140,000
	Description	This project will provide grant or loan support and technical assistance to businesses impacted by COVID-19 and provide job training to individuals who became unemployed as a result of COVID-19
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	10 businesses assisted; 45 individuals receiving job training
	Location Description	Citywide

	Planned Activities	Provide technical assistance and other support, as necessary, to small businesses impacted by COVID-19 to access other state and federal resources and support businesses to adjust processes to adapt to socially distanced business requirements.
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Table 5 – Project Details