



The City of La Habra
Community Development Department

2019-2020 ACTION PLAN – SUBSTANTIAL AMENDMENT
Amendment of Community Development Block Grant – CARES Act
(CDBG-CV3) Allocation

DRAFT FOR PUBLIC COMMENT PERIOD
July 15 – July 19, 2021

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Executive Summary

July 19, 2021, Substantial Amendment

The City of La Habra is proposing an amendment to the FY 2019-20 Annual Action Plan to include the third round Community Development Block Grant-Coronavirus (CDBG-CV3) funds received from the U.S. Department of Housing and Urban Development (HUD) made available through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and to create and implement programs to address the impact of coronavirus.

Background

The CARES Act was signed by President Trump on March 27, 2020 to respond to the growing effects of the coronavirus health crisis. The CARES Act made available CDBG-CV funds to entitlement jurisdictions. The funding is to be utilized in a way that prevents, prepares for, and responds to COVID-19 impacts.

On March 31, 2020, HUD published a memorandum of available waivers of Community Planning and Development (CPD) Grant Program as well as Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts caused by COVID-19. Among the waivers authorized was the reduction of the required public comment period for substantial amendments from 30 days to 5 days. In addition, CDBG-CV funds are not bound by the 15% cap for public service activities specifically related to the prevention, response, or recovery related to coronavirus.

The City received a notification of federal CARES Act funding from the U.S. Department of Housing and Urban Development (HUD). The City received \$400,188 in CDBG-CV1 funds. These funds were submitted as the first amendment to the 2019-20 One-Year Annual Action Plan and approved by the City Council on May 18, 2020.

The City received a second notification of allocation of federal CARES Act funding from HUD indicating that the City will receive an additional \$569,260 in CDBG funding, referred to as CDBG-CV3. The funding is to be utilized in a way that prevents, prepares for, and responds to COVID-19 impacts.

A summary of the programs recommended are as follows:

Proposed Uses of Community Development Block Grant (CDBG-CV3)

Social Services Program for At-Risk Persons:	\$200,000
Rental Assistance Program:	\$255,408
Program Administration:	\$113,852

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.

Amendment

As such, the City of La Habra is conducting a 5-day review period for this substantial amendment from July 15 - July 19, 2021. The City will conduct a public hearing for the substantial amendment as part of the July 19, 2021 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 open to the public on Monday, July 19, 2021 at 6:30 pm in the City Council Chambers located at 100 E. La Habra Blvd., La Habra, CA 90631. Additionally, a draft document will be made available in the following locations during normal business hours:

- Child Development Building, 205 E. La Habra Blvd., La Habra, CA 90631
- Community Development Department, 110 E. La Habra Blvd., La Habra, CA 90631
- Community Services, 101 W. La Habra Blvd., La Habra, CA 90631
- County of Orange La Habra Branch Library located at 221 E. La Habra Blvd., La Habra, CA 90631

Additionally, residents can submit comments on the document via email to Susan Louie, slouie@lahabracalifornia.gov or via mail no later than **5:00 pm on Monday, July 19, 2021**.

Draft Substantial Amendment – for public review

Sort Order	Activity	Target Population	Summary	Summary of Comments Received
1.	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 July 15 – July 19, 2021.	(to be completed at close of public comment period)
2.	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 July 19, 2021.	(to be completed at close of public comment period)

Table 1 – Resident Engagement

Expected Resources – 91.220(c)(1,2)

Introduction

The City was informed it will receive an additional allocation of \$569,260 in CDBG-CV3 funds. 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-CV3	Public-Federal	Planning and Administration Housing Public Services	\$113,852 \$255,408 \$200,000	CDBG activities to prevent, prepare for, and respond to COVID-19

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; CDBG low- and moderate-income areas.; and Historic Downtown	COVID-19 Impact	\$400,188 (CDBG-CV1) \$569,260 (CDBG-CV3)	20 households; 10 businesses; 45 persons (job training)

Table 3 – Annual Goals

Projects – 91.220(d)

Introduction

With the CDBG-CV3 allocation, the City of La Habra will fund the following projects.

Projects

#	Project Name
1	Program Administration
2	Rental Assistance
3	Public Services – At Risk Persons

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: \$113,852
	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 programs 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.

2	Project Name	Rental Assistance
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG: \$255,408
	Description	Through this program, the City will provide short-term rental assistance to households adversely impacted by COVID-19 due to job loss/termination, furlough, reduction in hours and/or pay during the eligible pandemic period (March 1, 2020 to present).
	Target Date	12/31/2022
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 20 low- and moderate-income households will benefit from this activity
	Location Description	Citywide
3	Project Name	Social Services Program for At-Risk Persons
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG: \$200,000
	Description	This program will provide a Public Service to respond to COVID-19 impacts, including to households at risk of eviction and/or homelessness and housing costs for those exiting homelessness, homeless shelter operations, and health and education support services. Program will include a counselor position in the Community Services Department.
	Target Date	12/31/2022
	Estimate the number and type of families that will benefit from the proposed activities	45 individuals
Location Description	Citywide	

Table 5 – Project Details