



**DATE:** February 24, 2021

**TO:** Chair and Commissioners  
Housing and Community Development Commission

**FROM:** Judy Shepard-Hall, Housing and Community Development Manager

**SUBJECT:** **SECOND PROPOSED AMENDMENT TO THE FISCAL YEAR (FY) 2019-20 ACTION PLAN TO INCLUDE THE ALLOCATION OF CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM CORONAVIRUS (CDBG-CV) FUNDS**

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### **RECOMMENDATION**

Conduct a public hearing. By motion, recommend approval by the City Council of a Substantial Amendment to the FY 2019-20 Action Plan and CDBG Program Budget.

### **REASONS FOR RECOMMENDATION**

By submitting the Substantial Amendment to the FY 2019-20 Action Plan to HUD, the City may receive the Third Round of special CDBG Coronavirus ("CDBG-CV3") funding to allocate to services for homeless persons, specifically aimed at preventing, preparing for, and responding to the coronavirus.

### **BACKGROUND AND DISCUSSION**

In 2020, the City of Vallejo received a special allocation of CDBG Program funds, known as CDBG-CV1 (Round One), in the amount of \$618,244 to prevent, prepare for, and respond to the coronavirus. The City has been notified by the U. S. Department of Housing and Urban Development (HUD) that it will receive an additional allocation of **\$856,930.00** in CDBG-CV3 (Round Three) funds. In order to accept CDBG-CV funds formally, the City must again make amendments to the FY 2019-20 Annual Action Plan describing the proposed use of this funding and the process for obtaining public input, and submit it to HUD.

#### **Proposed Use of CDBG-CV3 Funding**

In June, 2020 the City Council approved the allocation of \$618,244 in CDBG-CV1 (Round One) funds to: (1) secure hotel and motel rooms, including wraparound support services such as meals, security, and custodial services to meet the needs of up to 180 unduplicated persons who are experiencing homelessness during this current public health crisis, representing 80 percent of the allocation, and (2) CDBG-CV1 program administration costs, (twenty percent of the funding, the maximum allowed by HUD).

Staff recommends that the CDBG-CV3 allocation of **\$856,930.00** be budgeted as follows:

- (1) funding toward the completion of the establishment of the Homeless Navigation Center at 5 Midway in the amount of \$721,930.00. Staff has determined that this project will need additional funds in order to complete the construction of the facility; and

- (2) the remaining \$135,000.00 to provide 44 additional and unduplicated homeless persons with safe housing in hotel and motel rooms, as well as wraparound services.

### Public Input

In accordance with the City's Citizen Participation Plan, the Commission is holding this virtual public hearing to gather information and receive comments on the proposed amendments as described above. Written and electronic comments have also been accepted beginning February 19, 2021 and ending February 24, 2021. The notice of availability of these funds was published on the City's website and in the Vallejo Times Herald on February 19, 2021.

### FISCAL IMPACT

The City anticipates receiving \$856,930 in CDBG-CV3 funds. Funds unused as of June 30<sup>th</sup> are carried over to the following fiscal year. The CDBG Program is federally funded and therefore has no direct impact on the General Fund budget. Submission of the Substantial Amendment to the Action Plan and related documents will enable the City to expend additional CDBG-CV funding.

### ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

### ATTACHMENTS

1. Public Notice of the Second Substantial Amendment to the FY 2019-20 Action Plan Public Hearing

### CONTACT

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