



2019-2020 HUD Annual Action Plan Amendment for CARES Act Allocation

Community & Economic Development

City Council
October 25, 2022

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ANNUAL ACTION PLAN

1. Each year the City receives funds from the U.S. Department of Housing and Urban Development (HUD)
2. The city uses this plan to:
 - a) Provide a description of expected resources and objectives
 - b) Describes activities to be undertaken and performance measures
3. The plan provides a list of priorities for individual programs



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CARES ACT FUNDING FROM HUD

On March 27, 2020, the Coronavirus, Aid, Relief and Economic Security (CARES) Act was signed into law. The City was allocated an additional \$1,870,896 through its HUD entitlement grants for coronavirus response.



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CARES ACT FUNDING FROM HUD

The purpose of these additional funds was to be allocated to projects that assisted the City in preventing, preparing for, or responding to the coronavirus pandemic. The CARES Act allows HUD to broaden the reach of its existing grant programs by providing funding above and beyond its traditional allocations.



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COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT (CDBG-CV)

On May 26, 2020, City Council approved an allocation of \$1,496,717 to the United Way of the Inland Valleys (UWIV). The purpose of the allocation was to assist struggling small businesses owned and operated by low-moderate income individuals. At that time, it was recommended that the CDBG-CV funding be utilized by UWIV to carry out a Microenterprise Business Assistance Grant Program. The Scope of Work for the program functioned to assist local microenterprise businesses with five or fewer employees with one-time grants not to exceed \$7,500 per business



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COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT (CDBG-CV)

1. The proposed amendment would allow for 150 eligible businesses who previously received the one-time grant to receive an additional \$2,500 in grant funding if needed. If awarded the additional grant funding businesses could potentially receive a total of \$10,000 in Microenterprise Business Grant funding. UWIV will re-review all previously approved applicants for the opportunity to provide the additional \$2,500
2. For continued activity, delivery of an adjustment of the administrative fees not to exceed 20% of the original total allocation \$1,149,671.7 would be required. Total administration costs will be \$299,343. This administrative funding will be utilized to cover UWIV staff costs



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STRATEGIC PLAN ALIGNMENT



#3 Economic Opportunity

Champion a thriving, enduring economy that provides opportunity for all.

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability &
Resiliency



Equity



Innovation



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RECOMMENDATIONS

That the City Council:

1. Conduct a Public Hearing;
2. Authorize the Third Amendment to the 2019-2020 United States Department of Housing and Urban Development (HUD) Annual Action Plan to amend the scope of work of the CDBG CARES Act (CDBG-CV) agreement with the United Way of the Inland Valleys (UWIV) to allow for additional funding to be granted to eligible businesses;



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RECOMMENDATIONS

3. Approve the Third Amendment to the 2019-2020 CDBG CARES Act agreement with the United Way of the Inland Valleys to amend the Scope of Services to allow UWIV to re-review up to 150 businesses for a possible increase of \$2,500 and an adjustment of the admin fees not to exceed 20%;
4. Authorize the City Manager or his designee to execute the Third Amendment to the United States Department of Housing and Urban Development (HUD) CDBG CARES Act (CDBG- CV) with the United Way of the Inland Valleys (UWIV), including making minor and non- substantive changes, and to sign all documents and instruments necessary to complete the action.



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