



# 2019-2020 HUD ANNUAL ACTION PLAN AMENDMENT FOR CARES ACT ALLOCATION

Community & Economic Development Department

City Council  
May 26, 2020

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## ANNUAL ACTION PLAN

July 1, 2019 through June 30, 2020

Each year the City receives funds from the U.S.  
Department of Housing and Urban Development (HUD)

### THE CITY USES THIS PLAN TO

Provide a description of **expected  
resources** and **objectives**

Describes activities to be **undertaken**  
and **performance measures**

The plan provides a list of priorities for individual programs



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## CARES ACT FUNDING FROM HUD



**\$1,870,896**



**\$968,672**



**\$479,139**

**TOTAL  
FUNDING  
\$3,318,707**



On March 27, 2020 the Coronavirus, Aid, Relief and Economic Security (CARES) Act was signed into law. The City was allocated an additional \$3,318,707 through its HUD entitlement grants for coronavirus response.



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## CARES ACT FUNDING FROM HUD



These additional funds can be allocated to Program Year 2019-2020 to be used for projects that assist 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.

In order to allocate CARES Act funds to new or existing projects, the City must first submit a 2019-2020 HUD Annual Action Plan amendment to HUD which describes the new projects, funding amounts, and expected outcomes.



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## COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT FUNDING (CDBG-CV)



CDBG-CV Funding in the amount of **\$1,870,896** was provided to support the current CDBG program in its response to the Coronavirus pandemic. All CDBG activities must show a primary and direct benefit for low to moderate-income people. In order to meet the two goals of assisting low to moderate-income persons and responding to the coronavirus pandemic the following are activities deemed eligible for CDBG-CV funding:

- Building and improvements, public facilities;
- Assistance to businesses, special economic assistance;
- Public services; and
- Planning, capacity building, and technical assistance.



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## COMMUNITY DEVELOPMENT BLOCK GRANT CARES ACT FUNDING (CDBG-CV)



In an effort to assist struggling small businesses owned and operated by low-moderate income individuals, it is recommended that CDBG-CV funding be utilized to provide funding to the United Way of the Inland Valleys to carry out a Microenterprise Business Assistance Grant Program.

The program will function to assist local microenterprise businesses with five or fewer employees with one-time grants not to exceed \$7,500 per business.

Without urgent relief and capital injections, struggling small businesses will need to use their reserves, cut employees, and eventually close permanently. A third party partnership will improve the status of small businesses and future stabilization.



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## EMERGENCY SOLUTIONS GRANT CARES ACT FUNDING (ESG-CV)



ESG-CV funding in the amount of **\$968,672** will be used to prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homeless prevention activities to mitigate the impacts of COVID-19. City of Riverside Administrative costs will be up to 10% of the total at \$96,867.



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## Housing Opportunities for Persons with AIDS CARES Act Funding (HOPWA-CV)



HOPWA-CV funding in the amount of **\$479,139** will be used to support the HOPWA program in its response to the Coronavirus pandemic with stays at hotels, motels, or other locations to self-isolate, quarantine, or provide infection control for HOPWA-eligible individuals or their family members. The City has been designated by HUD as the eligible metropolitan service area (EMSA) grantee to administer the HOPWA funding for both Riverside and San Bernardino counties. Funding recommendations for HOPWA-CV funding are as follows; Foothill AIDS Project \$225,195; Riverside County Housing Authority \$225,196, and City of Riverside Administration \$28,748.



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## RECOMMENDATIONS

That the City Council:

1. Authorize the amendment to the 2019-2020 United States Department of Housing and Urban Development Annual Action Plan for the use of Coronavirus, Aid, Relief and Economic Security Act funding in the combined total amount of \$3,318,707 for the Community Development Block Grant, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS programs;
2. Authorize the City Manager or his designee to execute the HUD grant agreements for the Community Development Block Grant, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS programs;



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## RECOMMENDATIONS (CONT.)

4. Authorize the preparation of the standard CDBG and HOPWA Program Agreements with the City's grantees as identified in the amended 2019-2020 HUD Annual Action Plan, and the Emergency Solutions Grant Program Agreement with the organization selected from the recent Notice of Funding Availability process and authorize the City Manager, or his designee, to execute these agreements, including making minor non-substantive changes; and
5. Upon award of the grant funds, authorize an increase in revenue in the amount of funds awarded by the United States Department of Housing and Urban Development to the corresponding grant fund and appropriate funds into project accounts for the projects identified in the staff report.



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