



# Board Agenda Item 7

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DATE: July 7, 2020

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director  
Department of Public Works and Planning

Delfino E. Neira, Director  
Department of Social Services

SUBJECT: Application for Emergency Solutions Grant CARES Act Funding and Substantial Amendment to 2019-20 Annual Action Plan

RECOMMENDED ACTION(S):

- 1. Conduct public hearing to receive testimony on proposed additions to County Coronavirus Aid, Relief, and Economic Security Act Emergency Solutions Grant and Community Development Block Grant programs; and**
- 2. Approve substantial amendment to the 2019-20 Annual Action Plan to update planned uses for Community Development Block Grant funding and Emergency Solutions Grant funding, under the Coronavirus Aid, Relief, and Economic Security Act; and**
- 3. Authorize Director of the Department of Social Services to execute the related Standard Form 424, Certifications, and Entitlement Grant Agreement.**

The County has been notified by the U.S. Department of Housing and Urban Development (HUD) that it will receive an award of \$846,921 in Emergency Solutions Grant (ESG) funds and an award of \$1,635,038 in Community Development Block Grant (CDBG) funds under the recent Coronavirus Aid, Relief, and Economic Security (CARES) Act. These allocations, known as ESG-CV and CDBG-CV, provide funds for ESG-eligible and CDBG-eligible projects to address needs related to the COVID-19 pandemic. General categories of planned uses for the CDBG-CV funds were previously approved by your Board on May 26, 2020. Approval of the recommended actions will identify specific activities to receive CDBG-CV and ESG-CV funding, update funding amounts between the categories of planned uses, authorize the County to receive its allocation of ESG-CV funds, and allow staff from the Departments of Public Works and Planning and Social Services to submit the required planning document and applications for entitlement funds to HUD. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may approve the amendment to the Annual Action Plan (Plan) as proposed, or make any changes as appropriate, consistent with the Federal regulations governing each of these grant programs. The County approved the application for CDBG-CV funds on May 26, 2020. The County also has the option of not applying for its entitlement of ESG-CV funds, offering them back to HUD for reallocation elsewhere across the nation.

**FISCAL IMPACT:**

There is no increase in Net County Cost associated with the recommended actions.

**ESG-CV**

The ESG-CV funding (\$846,921) includes an allowance (10% or \$84,692) that pays Department of Social Services' costs to administer the grant. The ESG-CV funds will be administered by the Department of Social Services staff already administering the County's regular ESG program.

Listed below is the program funding for the ESG-CV funds (\$762,228):

| <u>ESG-CV Program</u>                  | <u>ESG-CV Funding</u> |
|--|-----------------------|
| Rapid Rehousing                        | \$279,484             |
| Emergency Shelter                      | \$338,769             |
| Homelessness Prevention                | \$127,038             |
| Homeless Management Information System | \$ 16,938             |

Sufficient appropriations and estimated revenues are included in the Department of Social Services - Org 5610 FY 2020-21 Recommended Budget and will be requested in future budgets for the projects' duration.

**CDBG-CV**

The CDBG-CV funding (\$1,635,038) includes an allowance (20% or \$327,008) that pays for the Department of Public Works and Planning costs to administer the grant. The CDBG-CV funds will be administered by the Department of Public Works and Planning staff already administering the County's regular CDBG program.

A significant change from standard CDBG requirements is that the CDBG-CV funds are not restricted to the standard 15% that may be used for public service activities, and all projects must address needs related to the COVID-19 pandemic. A listing of the projects to receive CDBG-CV funding is listed in Attachments A and B. Listed below is the program funding for the CDBG-CV funds (\$1,308,030):

| <u>CDBG-CV Project</u>             | <u>CDBG-CV Funding</u> |
|------------------------------------|------------------------|
| CDBG-CV: Emergency Shelter         | \$501,964              |
| CDBG-CV: Fire Protection Equipment | \$117,472              |
| CDBG-CV: Other Public Services     | \$688,594              |

Sufficient appropriations and estimated revenues are included in the Department of Public Works and Planning - Community Development Block Grant Org 7205 FY 2020-21 Recommended Budget and will be requested in future budgets for the duration of the projects.

**DISCUSSION:**

To assist with the County's COVID-19 response, through the CARES Act, HUD allocated both ESG-CV and CDBG-CV funds.

**ESG-CV**

Fresno County will receive \$846,921 in ESG-CV funds from HUD through the CARES Act. The funds are to prevent and respond to the spread of the COVID-19 and other infectious diseases.

The Action Plan is submitted annually and serves as the County's application for its allocation of entitlement

funds. As the ESG-CV funds were not anticipated at the time the Plan was adopted in June 2019, a substantial amendment is necessary to identify how these new funds will be used.

As required, the County consulted with the Fresno-Madera Continuum of Care on the activities planned for ESG-CV funds. ESG-CV will be used to fund rapid rehousing services, emergency shelter, homelessness prevention, and Homeless Management Information System (HMIS).

### **CDBG-CV**

The County received \$1,635,038 in CDBG-CV funds from HUD through the CARES Act. The funds are to prevent and respond to the spread of the COVID-19 and other infectious diseases. A substantial amendment to the 2019-20 Annual Action Plan was previously approved by your Board on May 26, 2020. At that time, new project categories were added to the Plan, which served as an outline of projects expected to be funded by the CDBG-CV grant.

The County worked with the six participating cities in the Urban County program (Fowler, Kerman, Kingsburg, Mendota, Reedley and Selma) to identify specific activities to be funded using the cities' allocation of CDBG-CV funds, and has identified uses for the remaining balance of the CDBG-CV funds. The substantial amendment identifies the specific activities to receive CDBG-CV funding, as listed in Attachments A - C.

Approval of the Plan amendment by your Board will enable Departments of Public Works and Planning and Social Services staff to submit the required documents to HUD to receive ESG-CV funding and allow funding of these immediate COVID-19 related needs in a timely manner.

### OTHER REVIEWING AGENCIES:

On July 1, 2020, the Board-appointed Housing and Community Development Citizens Advisory Committee (CAC) met to review the substantial amendment. The CAC recommends approval of the substantial amendment.

The six participating cities were consulted to determine the activities to receive funding, using the cities' allocation of CDBG-CV funds.

The substantial amendment has also been made available for review and comment to the general public on the County's website at [www.fresnocountyca.gov/grants](http://www.fresnocountyca.gov/grants).

### REFERENCE MATERIAL:

BAI #7, May 26, 2020  
BAI #14, June 4, 2019

### ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachments A - C  
On file with Clerk - Substantial Amendment to 2019-20 Annual Action Plan

### CAO ANALYST:

Sonia M. De La Rosa