



April 13, 2020

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval of Amendment to the 2020-2024 Consolidated Plan, 2020 One-Year Action Plan Substantial Amendment and Citizen Participation Plan Amendment Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES)

RECOMMENDATION

Staff is presenting this information to the Commission for review prior to final review by the City of Sacramento.

Respectfully submitted,


LASHELLE DOZIER
Executive Director

Attachment



REPORT TO COUNCIL
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Public Hearing
April 21, 2020

Honorable Mayor and Members of the City Council

Title: Approval of Amendment to the 2020-2024 Consolidated Plan, 2020 One-Year Action Plan Substantial Amendment and Citizen Participation Plan Amendment Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES)

Location/Council District: Citywide

Recommendation: Pass 1) a **City Council Resolution** a) approving the amended 2020-2024 Consolidated Plan which lays out the strategies and goals for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing for Persons with AIDS (HOPWA) programs, as set out in Exhibit A, and directing the Sacramento Housing and Redevelopment Agency (SHRA) to submit to the amended plan to the United States Department of Housing and Urban Development (HUD); b) approving the amended 2020 One-Year Action Plan to allocate CDBG-CV, ESG-CV, and HOPWA supplemental funds as described in Exhibit B; c) authorizing SHRA to amend its budget to allocate CDBG-CV, ESG-CV, and HOPWA supplemental funding for programs and activities in accordance with the amendment of the 2020 One-Year Action; d) authorizing the City Manager or his designee to execute agreements with SHRA to carry out the activities contained in the amended 2020 One-Year Action Plan in compliance with applicable federal laws and regulations, as approved to form by SHRA legal counsel and the City Attorney; e) SHRA is authorized to enter into a Memorandum of Agreement with the Sacramento County Department of Human Assistance (DHA) for DHA to enter into homeless related agreements to allocate some or all of the CARES funding; f) authorizing and delegating authority to SHRA to act as agent on behalf of the City of Sacramento to execute grant agreements with HUD and execute agreements and contracts with the appropriate entities to carry out programs and projects in accordance with the Action Plan and in compliance with applicable federal laws and regulations as approved to form by SHRA legal counsel; g) authorizing SHRA to make any budget adjustments and execute related documents as necessary to administer the programs as described in the amended 2020 Action Plan in compliance with applicable federal laws and regulations as outlined in Exhibit C; and h) approving the amended City and County of Sacramento Citizen Participation Plan.

Contact: Tyrone Roderick Williams, Deputy Executive Director, (916) 440-1316, Sacramento Housing and Redevelopment Agency

Presenters: Celia Yniguez, Program Manager, (916) 440-1350, Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue Detail: In December 2019, a new coronavirus known as SARS-CoV-2 was detected causing outbreaks of the coronavirus disease COVID-19 that has now spread globally. The first reported case in the United States was in January 2020 and by March 2020 the World Health Organization declared the COVID-19 outbreak a pandemic and the federal government declared a national emergency. Many states, including California, declared a state of emergency, and the City and County of Sacramento (City and County) established a shelter in place order. The City and County are impacted by this health crisis and people experiencing homelessness are amongst the most vulnerable.

Federal Relief

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was signed by the President of the United States. This made available \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds, \$4 billion in Emergency Solutions Grant Coronavirus (ESG-CV) and \$65 million in Housing Opportunities for Persons with AIDS (HOPWA) supplemental funds to respond to the growing effects of the historic COVID-19 public health crisis. The Department of Housing and Urban Development (HUD) informed the City of Sacramento that CARES Act funding would be allocated to the jurisdiction based on the existing entitlement formulas for the three programs. CARES Act funds have been allocated to the City of Sacramento in the following amounts: \$2,869,932 of CDBG-CV, \$1,453,941 of ESG-CV and \$218,082 of HOPWA supplemental allocation.

The CARES Act also authorized the HUD Secretary to grant waivers and alternative requirements related to the use of CDBG-CV funds, including the suspension of the 15 percent cap on funding for public services; reducing the public comment period for consolidated plan and action plan amendments to five days, and allowing the option of virtual hearings. All activities funded must still meet the eligibility and national objective requirements of the CDBG program. For the ESG-CV allocation, the waivers and alternative requirements for the use of ESG-CV funds, include the suspension of the 60 percent spending cap on emergency shelter and outreach activities; administrative cost cap is increased from 7.5 percent to 10 percent; funds are exempt from the dollar for dollar match requirements; funds are not subject to consultation and citizen participation requirements; grant recipients, including subrecipients, may deviate from applicable procurement standards; and supportive services are not required to receive assistance. SHRA has applied for and received waivers for the CDBG-CV, ESG-CV and HOPWA supplemental funds.

The City and County are committed to deploying federal, state, and local resources to help assist the homeless population, including providing funds to help move people

safely into shelter, removing regulatory barriers, and helping to securing trailers and motels to provide immediate shelter. The City of Sacramento is part of the Sacramento COVID-19 Homelessness Response Team (Response Team), which is a part of a broader County and City emergency and public health response to COVID-19. This team is a collaborative effort between the City and County of Sacramento, Sacramento Steps Forward (SSF), and the Sacramento Housing and Redevelopment Agency (SHRA) who all work closely with the homeless population.

The Sacramento Homelessness COVID-19 Response Team was tasked with developing an operational and funding plan that will allow the quick deployment of a number of local responses.

The team developed a coordinated framework and action plan to help meet the needs of those experiencing homelessness during this current public health crisis.

The purpose of the Response Team is threefold:

1. Proactively address COVID-19 affecting the homeless and sheltered population.
2. Slow the spread of COVID-19 in the homeless population by supporting programs serving the homeless so they can stay open and safe for clients and workers.
3. Create and operationalize new capacity for shelters that can serve vulnerable and unhoused clients.

The Response Team developed a comprehensive operational and funding plan utilizing CDBG-CV, ESG-CV, as well as local and state funds which was adopted by the City Council and the County Board of Supervisors on April 7, 2020. The plan and corresponding budget included CDBG-CV and ESG-CV funding allocations.

There are currently 5 subrecipients receiving HOPWA funding. SHRA will solicit input from these existing providers to determine the needs for this specific population, and allocate HOPWA supplemental allocation funds to existing subrecipients.

Staff is requesting approval of a Substantial Amendment to the 2020 One-Year Action Plan as detailed in Exhibit B and requests authorization to submit the amended plan to HUD. The 2020-2024 Consolidated Plan and the 2020 One-Year Action Plan was approved by Resolution 2019-0408 on October 22, 2019. The One-Year Action Plan amendment identifies proposed activities for the expenditure of CDBG, ESG and HOPWA to address the COVID -19 crisis. Newly funded activities consistent with the Response Team's recommendation and are scheduled to begin implementation as soon as agreements are executed (Exhibit B).

An amendment to the Citizen Participation Plan is also proposed. The amendment includes updated language related to the CARES Act (Exhibit C).

The public hearing before the City Council was noticed on April 13, 2020. SHRA received the required HUD waiver allowing for a 5 day public comment period on April 7, 2020,

Policy Considerations: The proposed appropriation of funds for new and existing activities is consistent with the goals and objectives outlined in the amended Consolidated Plan. The Consolidated Plan goals include assisting low- and moderate-

income persons and areas with the following: housing, homeless facilities and services, public services, public facility and infrastructure improvements, and planning activities.

Economic Impacts: Not applicable.

Environmental Considerations: California Environmental Quality Act (CEQA): The recommended actions are considered administrative or fiscal activities and therefore are not considered a project subject to CEQA pursuant to 14 CCR section 15378(b). Additionally, any project undertaken with CARES Funds will be exempt from CEQA review pursuant to 14 CCR section 15269(c).

National Environmental Policy Act (NEPA): The recommended actions are administrative and management activities and are therefore exempt under NEPA pursuant to 24 CFR 58.34(a)(1) and (3). Additionally, any activities undertaken with CARES Funds will either be exempt from NEPA pursuant to 24 CFR 58.34(a)(3) or (4), or categorically excluded pursuant to 24 CFR 58.35(b)(1) or (2).

Sustainability Considerations: Not applicable.

Commission Action: *Sacramento Housing and Redevelopment Commission:* At its April 15, 2020 meeting, the Sacramento Housing and Redevelopment Commission reviewed the staff recommendation for this item. The votes were as follows:

AYES:

NOES:


ABSENT:

Rationale for Recommendation: As a condition of the receipt of various CARES Act grants provided through HUD, the 2020-2024 Consolidated Plan and the Citizen Participation Plan are proposed for amendment to include provisions for disaster recovery funds. The 2020 Action Plan is proposed to be amended to include the CARES Act funding. The amendment includes a description of proposed activities and expenditures that meet the goals and priorities of the Consolidated Plan. These funds are designated to activities which will assist the community's vulnerable populations during this health crisis.

Financial Considerations: It is proposed that the SHRA budget be amended to incorporate the CARES Act funding described below.

CARES Act Funding	
Entitlement Program	2020 Allocation
Community Development Block Grant – CV	\$2,869,932
Emergency Solutions Grant – CV	\$1,453,941
Housing Opportunities for Persons With AIDS	\$218,082
Total	\$4,541,955

LBE - M/WBE and Section 3 requirements: Minority and Women’s Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent they may be applicable. LBE considerations are not applicable to this report.

Respectfully Submitted by: 
 LA SHELLE DOZIER
 Executive Director

Attachments

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A to Resolution - 2020-2024 Consolidated Plan Amendment
- 4-Exhibit B to Resolution – 2020 Action Plan Amendment
- 5-Exhibit C to Resolution – Citizen Participation Plan Amendment

RESOLUTION NO. 2020 -

Adopted by the Sacramento City Council

On date of

AUTHORIZATION TO SUBSTANTIALLY AMEND THE 2020-2024 CONSOLIDATED PLAN; SUBSTANTIALLY AMEND THE 2020 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA), AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS FOR THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT); AMENDMENT OF PRIOR YEARS' ACTION PLANS; AMEND THE CITY AND COUNTY OF SACRAMENTO CITIZEN PARTICIPATION PLAN; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) BUDGET; EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS RELATED TO THE CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT (CARES)

BACKGROUND

- A. The United States Department of Housing and Urban Development (HUD) requires the adoption of a Five-Year Consolidated Plan and annual Action Plan, consistent with the Consolidated Plan, to identify the programs and projects for expenditure of federal Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).
- B. Since 1982 the Sacramento Housing and Redevelopment Agency (SHRA) and its constituent entities has served as the public entity designated to efficiently administer the CDBG program and was subsequently designated as the public entity to administer HOME, ESG, and HOPWA, funding originating from HUD.
- C. As the recipient of HUD funding and designated agent for the City of Sacramento, SHRA is authorized to submit environmental determinations on the City's behalf and on the behalf of non-profit sub-recipients.
- D. On March 27, 2020, the President of the United States signed the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136. This made available \$5 billion CDBG Coronavirus (CDBG-CV) funds, \$4 billion in ESG Coronavirus (ESG-CV) and \$65 million in HOPWA supplemental funds to respond to the growing effects of the historic COVID-19 public health crisis.
- E. The CARES Act allocated funding to the City of Sacramento based upon fiscal year 2020 formulas in the following amounts: \$2,869,932 of CDBG-CV, \$1,453,941 of ESG-CV and \$218,082 of HOPWA supplemental allocation.
- F. The CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of CDBG-CV funds, including the suspension of the 15 percent cap on public services; reducing the public comment period to 5 days for consolidated plan and action plan amendments, and allowing the option of virtual hearings.

- G. The CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of ESG-CV funds, including the suspension of the spending cap on emergency shelter and outreach activities; administrative cost cap is increased to 10 percent; funds are exempt from the match requirements; funds not subject to consultation and citizen participation requirements; subrecipients may deviate from applicable procurement standards; and supportive services are not a required to receive treatment.
- H. SHRA has applied and received for waivers for the CDBG-CV, ESG-CV and HOPWA supplemental funds.
- I. The City Council and County Board of Supervisors approved Sacramento COVID-19 Homeless Response Plan (Response Plan) and authorized implementation of the plan on April 7, 2020. The comprehensive plan utilizes, local, state and federal funding. The Response Plan designates the City and County with lead responsibilities.
- J. On April 13, 2020 a notice to solicit comments on the proposed actions was published. The actions are scheduled to be approved at the Sacramento City Council meeting on April 21, 2020, which meets the 5 day public comment period requirement.
- K. CDBG-CV funds will be utilized in the unincorporated County of Sacramento. This will benefit City of Sacramento residents by addressing the spread and negative impacts of COVID-19.
- L. The recommended actions are considered administrative activities and therefore are not considered a project subject to the California Environmental Quality Act pursuant to Guidelines Section 15378, and are exempt under the National Environmental Policy Act pursuant to 24 CFR 58.34(a)(1) and (3). Environmental reviews for individual activities or programs identified in the Action Plan will be completed prior to project commitment or choice limiting actions.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. All evidence presented having been duly considered, the findings are found to be true and correct and are hereby adopted.
- Section 2. The 2020-2024 Consolidated Plan is hereby amended and SHRA is directed to submit the Consolidated Plan to HUD as set out in Exhibit A.
- Section 3. The 2020 One-Year Action Plan Substantial Amendment which allocates CDBG, ESG, and HOPWA funds as described in Exhibit B is approved. SHRA is directed to submit the amended 2020 One-Year Action Plan to HUD.
- Section 4. SHRA is authorized to amend its budget to allocate CDBG, ESG, and HOPWA funding for programs and activities in accordance with the

amended 2020 One-Year Action Plan and the amendments of the prior years' Action Plans.

- Section 5. The City Manager, or designee, is authorized to execute agreements with SHRA to carry out activities contained in the amended 2020 One-Year Action Plan and amendment to the various years' Action Plans in compliance with applicable federal laws and regulations as approved to form by SHRA Counsel and the City Attorney.
- Section 6. SHRA is authorized to enter into a Memorandum of Agreement/Understanding with the Sacramento County Department of Human Assistance (DHA) for DHA to enter into homeless related subrecipient agreements to allocate some or all of the CARES funding as describe in Exhibit B.
- Section 7. SHRA is authorized and delegated authority to act as agent on behalf of the City of Sacramento to execute grant agreements with HUD and execute agreements and contracts with the appropriate entities to carry out projects and programs in accordance with the amended 2020 One-Year Action Plan and amendments to prior years' Action Plans in compliance with applicable federal laws and regulations as approved to form by SHRA Counsel.
- Section 8. SHRA is authorized to make budget adjustments and execute any and all related documents, including invoicing, contracts, and amendments as necessary to carry out the federal programs as described in the 2020 One-Year Action plan in compliance with applicable federal laws and regulations.
- Section 9. The City and County of Sacramento Citizen Participation Plan is amended (Exhibit C).

Table of Contents:

Exhibit A - 2021-2024 Consolidated Plan Amendment

Exhibit B - 2020 Action Plan Amendment

Exhibit C - City and County of Sacramento Citizen Participation Plan Amendment

City of Sacramento
Amendment to 2020-2024 Consolidated Plan

This report formally amends the 2020-2024 Consolidated Plan allocating new CARES Act funding to the City of Sacramento activities listed below: Newly funded activities are scheduled to be begin implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds. Below is new language:

SP-05 Overview

March 27, 2020, Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was signed by the President of the United States. The CARES Act allocated to the City of Sacramento the following funding:

- \$2,869,932 of CDBG-CV,
- \$1,453,941 of ESG-CV
- \$218,082 of HOPWA supplemental allocation.

Strategic Goals

- Support disaster response and recovery activities in the event of local, state or national responses.

Disaster and response – Response to local, state, and national natural disasters is a priority. Existing and new funding may need to be allocated in such an event. A substantial action plan amendment undertaken to allocate funds and the Citizen Participation Plan will be followed. In the event HUD issues waivers of regulatory requirements, these will be evaluated and requested as necessary.

SP-45 Goals

Additional resources are added to:

3 - Public Services – CDBG-CV - \$3.8 million; HOPWA supplemental \$200,000, ESG-CV \$1.3 million

5 – Administration - CDBG-CV - \$300,000; HOPWA supplemental \$6,000, ESG-CV \$435,000

City of Sacramento
Amendment to 2020 Action Plan and Previous Year's Action Plans

This report formally amends the 2020 Action Plan and previous years' Action Plans allocating 2020 CARES Act funding to activities listed below: Newly funded activities to be implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds.

2020 One-Year Action Plan Amendment			
Recommendation – Community Development Block Grant			
Activity Name	Amount	Source	CDBG Criteria
Homeless Activities (Public Services): Funds will be used to design, administer, and implement homeless programs including but not limited to housing and shelter, detoxification, medical and counseling services, and provision of food.	\$2,783,834	CDBG-CV	03C/LMC 03T/LMC
CDBG Planning and Administration: Administrative and Planning Services for CDBG Programs (3%)	\$86,098	CDBG-CV	21A
Total	\$2,869,932		

2020 One-Year Action Plan Amendment		
Recommendation – Emergency Solutions Grant	Amount	Fund
Emergency Shelters (Public Services): Funds to provide emergency housing/shelters, delivery, operations and maintenance of facilities and essential supportive services per ESG regulations.	\$1,410,323	ESG-CV
ESG Program Administration: Administrative services for the implementation of ESG-funded activities (3%)	\$43,608	ESG-CV
Total	\$1,453,941	

2020 One-Year Action Plan Amendment		
Recommendation – Housing Opportunities for Persons with AIDS	Amount	Fund
HOPWA - Provides for short-term emergency housing and tenant-based rental assistance, housing placement services and supportive services for persons with HIV/AIDS In the following: City of Sacramento, County of Sacramento, Yolo County, El Dorado County, and Placer County.	\$211,540	HOPWA
HOPWA Program Administration: Administrative services for the implementation of HOPWA-funded activities (3%).	\$6,542	HOPWA
Total	\$218,082	

**City and County of Sacramento
Citizen Participation Plan Amendment for Disaster**

The language below will be added to the current City and County of Sacramento Citizen Participation plan:

In event of a local, state, and national natural disaster existing and new funding may be allocated or re-allocated in an expedited timeframe. To streamline the allocation process and reduce delays in accessing grant funds following HUD notices, waivers, award letters or other HUD communication. To achieve this, minimum citizen participation requirements will be applied per HUD notices, waivers, award letters or other HUD communication to the Consolidated Plan and/or substantially amended Action Plan(s).

RESOLUTION NO. SHRC-_____

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

April 15, 2020

AUTHORIZATION TO SUBSTANTIALLY AMEND THE 2020-2024 CONSOLIDATED PLAN; SUBSTANTIALLY AMEND THE 2020 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA), AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS FOR THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT); AMENDMENT OF PRIOR YEARS' ACTION PLANS; AMEND THE CITY AND COUNTY OF SACRAMENTO CITIZEN PARTICIPATION PLAN; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) BUDGET; EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS RELATED TO THE CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT (CARES)

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. All evidence presented having been duly considered, the Sacramento Housing and Redevelopment Commission accepts the findings which are found to be true and correct and are hereby adopted.

Section 2. The 2020-2024 Consolidated Plan amendment as set out in Exhibit A is adopted.

Section 3. Subject to approval of the Substantial Amendment to the 2020 One-Year Action Plan (Exhibit B) by the Sacramento City Council and the Sacramento County Board of Supervisors, the Executive Director, or designee, is authorized to:

- Amend the SHRA budget to allocate the Community Development Block Grant-CDBG-CV, Emergency Solutions Grant ESG-CV and HOPWA supplemental grant funding for programs and projects in accordance with the amendment of to 2020 One-Year Action Plan.
- Execute agreements, contracts, and documents with HUD and the appropriate entities to carry out the Action Plans' activities in compliance with adopted policies, guidelines and federal law, as approved to form by SHRA Counsel.

AUTHORIZATION TO SUBSTANTIALLY AMEND THE 2020-2024 CONSOLIDATED PLAN; THE 2020 ONE-YEAR ACTION PLAN FOR CDBG, HOPWA, AND ESG FUNDED PROJECTS AND PROGRAMS FOR THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT; AMENDMENT OF PRIOR YEARS' ACTION PLANS; AMEND THE CITY AND COUNTY OF SACRAMENTO CITIZEN PARTICIPATION PLAN; AMENDMENT TO THE SHRA BUDGET; EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS RELATED TO THE CARES ACT

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- Submit the amended 2020-2024 Consolidated Plan and amended 2020 One-Year Action Plan to the United States Department of Housing and Urban Development (HUD).

Section 4. The City and County of Sacramento Citizen Participation Plan Amendment in Exhibit C is adopted.

CHAIR

ATTEST:

CLERK



April 13, 2020

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval of Amendment to the 2020-2024 Consolidated Plan, 2020 One-Year Action Plan Substantial Amendment and Citizen Participation Plan Amendment Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES)

RECOMMENDATION

Staff is presenting this information to the Commission for review prior to final review by the County of Sacramento.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
April 21, 2020

To: Board of Supervisors

Through: Navdeep S. Gill, County Executive

From: La Shelle Dozier, Executive Director, Sacramento Housing and Redevelopment Agency

Subject: Adopt Amendment To The 2020-2024 Consolidated Plan, Adopt Amendment To The 2020 One-Year Action Plan; Amend The Sacramento Housing And Redevelopment Agency (SHRA) Budget; Adopt Amendment to the Citizen Participation Plan Related To The Coronavirus Aid, Relief, And Economic Security Act (CARES)

District(s): All

RECOMMENDED ACTION

The report recommends approval of the attached:

1. Adopts the Substantially Amended 2020-2024 Consolidated Plan which lays out the strategies and goals for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME) and Emergency Solutions Grant (ESG) programs, as set out in Attachment 1 and directs the Sacramento Housing And Redevelopment Agency (SHRA) to submit to HUD;
2. Adopts the Substantially Amended 2020-2024 One-Year Action Plan which allocates CDBG, HOME, ESG funds to various programs and activities as set out in Attachment 2 and directs SHRA to submit to HUD;
3. Directs SHRA to amend its budget accordingly;
4. Authorizes the County Executive, or designee to execute agreements with SHRA to carry out the Amended 2020 One-Year Action Plan activities;
5. Authorizes SHRA to execute any and all related documents, as necessary to carry out the federal and local programs and delegates

SHRA to execute agreements and contracts with HUD and appropriate entities to implement the Action Plan; and

6. Adopts the amendment to the Citizen Participation Plan as set out in Attachment 3.

BACKGROUND

In December 2019, a new coronavirus known as SARS-CoV-2 was detected causing outbreaks of the coronavirus disease COVID-19 that has now spread globally. The first reported case in the United States was in January 2020 and by March 2020 the World Health Organization declared the COVID-19 outbreak a pandemic and the federal government declared a national emergency. Many states, including California, declared a state of emergency, and the City and County of Sacramento (City and County) established a shelter in place order. The City and County are impacted by this health crisis and people experiencing homelessness are amongst the most vulnerable.

Federal Relief

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was signed by the President of the United States. This made available \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds, and \$4 billion in Emergency Solutions Grant Coronavirus (ESG-CV) to respond to the growing effects of the historic COVID-19 public health crisis. The Department of Housing and Urban Development (HUD) informed the County of Sacramento that CARES Act funding would be allocated to the jurisdiction based on the existing entitlement formulas for two programs. CARES Act funds have been allocated to the County of Sacramento in the following amounts: \$3,470,768 of CDBG-CV and \$1,747,452 of ESG-CV.

The CARES Act also authorized the HUD Secretary to grant waivers and alternative requirements related to the use of CDBG-CV funds, including the suspension of the 15 percent cap on funding for public services; reducing the public comment period for consolidated plan and action plan amendments to five days; and allowing the option of virtual hearings. All activities funded must still meet the eligibility and national objective requirements of the CDBG program. For the ESG-CV allocation, the waivers and alternative requirements for the use of ESG-CV funds, include the suspension of the 60 percent spending cap on emergency shelter and outreach activities; administrative cost cap is increased from 7.5 percent to 10 percent; funds are exempt from the dollar for dollar match requirements; funds are not subject to consultation and citizen participation requirements; grant recipients, including subrecipients, may deviate from applicable procurement standards; and supportive services are not required to receive assistance.

SHRA has applied for and received waivers for the CDBG-CV and ESG-CV supplemental funds.

The City and County are committed to deploying federal, state, and local resources to help assist the homeless population, including providing funds to help move people safely into shelter, removing regulatory barriers, and helping to secure trailers and motels to provide immediate shelter. The County of Sacramento is part of the Sacramento COVID-19 Homelessness Response Team (Response Team), which is a part of a broader County and City emergency and public health response to COVID-19. This team is a collaborative effort between the City and County of Sacramento, Sacramento Steps Forward (SSF), and the Sacramento Housing and Redevelopment Agency (SHRA) who all work closely with the homeless population.

The Sacramento Homelessness COVID-19 Response Team was tasked with developing an operational and funding plan that will allow the quick deployment of a number of local responses. The team developed a coordinated framework and action plan to help meet the needs of those experiencing homelessness during this current public health crisis.

The purpose of the Response Team is threefold:

1. Proactively address COVID-19 affecting the homeless and sheltered population.
2. Slow the spread of COVID-19 in the homeless population by supporting programs serving the homeless so they can stay open and safe for clients and workers.
3. Create and operationalize new capacity for shelters that can serve vulnerable and unhoused clients.

The Response Team developed a comprehensive operational and funding plan utilizing CDBG-CV, ESG-CV, as well as other local and state funds which was adopted by the City Council and the County Board of Supervisors on April 7, 2020. The plan and corresponding budget included CDBG-CV and ESG-CV funding allocations.

Staff is requesting approval of a Substantial Amendment to the 2020 One-Year Action Plan as detailed in Exhibit 2 and requests authorization to submit the amended plan to HUD. The 2020-2024 Consolidated Plan and the 2020 One-Year Action Plan was approved by Resolution 2019-0743 on October 22, 2019. The One-Year Action Plan amendment identifies proposed activities for the expenditure of CDBG and ESG to address the COVID-19 crisis. Newly funded activities consistent with the Response Team's recommendations and are scheduled to begin implementation as soon as agreements are executed (Exhibit 2).

An amendment to the Citizen Participation Plan is also proposed. The amendment includes updated language related to the CARES Act (Exhibit 3).

The public hearing before the County Board of Supervisors was noticed on April 13, 2020. SHRA received the required HUD waiver allowing for a 5 day public comment period on April 7, 2020.

COMMISSION ACTION

At its meeting of April 15, 2020, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. Staff will notify the Board in the event the item is not approved.

POLICY CONSIDERATIONS

The proposed appropriation of funds for new and existing activities is consistent with the goals and objectives outlined in the amended Consolidated Plan. The Consolidated Plan goals include assisting low- and moderate-income persons and areas with the following: housing, homeless facilities and services, public services, public facility and infrastructure improvements, and planning activities.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The recommended actions are considered administrative or fiscal activities and therefore are not considered a project subject to CEQA pursuant to 14 CCR section 15378(b). Additionally, any project undertaken with CARES Funds will be exempt from CEQA review pursuant to 14 CCR section 15269(c).

National Environmental Policy Act (NEPA): The recommended actions are administrative and management activities and are therefore exempt under NEPA pursuant to 24 CFR 58.34(a)(1) and (3). Additionally, any activities undertaken with CARES Funds will either be exempt from NEPA pursuant to 24 CFR 58.34(a)(3) or (4), or categorically excluded pursuant to 24 CFR 58.35(b)(1) or (2).

M/WBE/SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent they may be applicable. LBE considerations are not applicable to this report.

FINANCIAL ANALYSIS

It is proposed that the SHRA budget be amended to incorporate the CARES Act funding described below.

CARES Act Funding	
Entitlement Program	2020 Allocation
Community Development Block Grant – CV	\$3,470,768
Emergency Solutions Grant – CV	1,747,452
Total	\$5,218,220

Respectfully Submitted,

APPROVED
NAVDEEP S. GILL,
County Executive


LA SHELLE DOZIER, Executive Director
Sacramento Housing and
Redevelopment Agency

By: _____
BRUCE WAGSTAFF
Deputy County Executive

Attachments:

- RES – Resolution
- ATT 1 – Substantial Amendment to the 2020-2024 Consolidated Plan
- ATT 2 – Substantial Amendment to the 2020 Action Plan
- ATT 3 – Amendment to the Citizen Participation Plan

RESOLUTION NO.

APPROVAL OF THE SUBSTANTIAL AMENDMENT TO THE 2020-2024 CONSOLIDATED PLAN; APPROVAL OF THE SUBSTANTIAL AMENDMENT TO THE 2020 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS FOR THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT); AUTHORIZATION TO EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS; APPROVE THE AMENDMENT TO THE CITIZEN PARTICIPATION PLAN; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY BUDGET RELATED TO THE CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT (CARES)

WHEREAS, the United States Department of Housing and Urban Development (HUD) requires the adoption of a Five-Year Consolidated Plan and annual Action Plan, consistent with the Consolidated Plan, to identify the programs and projects for expenditure of federal CDBG, HOME, and ESG;

WHEREAS, since 1982 the Sacramento Housing and Redevelopment Agency (SHRA), on behalf of the County of Sacramento, has served as the public entity designated to efficiently administer the CDBG program and was subsequently designated as the public entity to administer HOME and ESG, funding originated from HUD.

WHEREAS, on March 27, 2020, the President of the United States signed the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136. This made available \$5 billion CDBG Coronavirus (CDBG-CV) funds, \$4 billion in ESG Coronavirus (ESG-CV) and \$65 million in HOPWA supplemental funds to respond to the growing effects of the historic public health crisis of COVID-19.

WHEREAS, the CARES Act allocated funding to the County of Sacramento based upon the fiscal year 2020 formula in the following amounts: \$3,470,768 of CDBG-CV and \$1,453,941 of ESG-CV.

WHEREAS, the CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of CDBG-CV funds, including the suspension of the 15 percent cap on public services; reducing the comment period to 5 days

Authorization To Substantially Amend The 2020-2024 Consolidated Plan; The 2020 One-Year Action Plan For CDBG, HOPWA, And ESG Funded Projects And Programs For The Coronavirus Aid, Relief, And Economic Security Act; Amendment Of Prior Years' Action Plans; Amend The City And County Of Sacramento Citizen Participation Plan; Amendment To The Shra Budget; Execute Documents For The Administration Of Federal Programs Related To The Cares Act

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for consolidated plan and action plan amendments, and allowing the option of virtual hearings.

WHEREAS, the CARES Act authorized the Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of ESG-CV funds, including the suspension of the spending cap on emergency shelter and outreach activities; administrative cost cap is increased to 10 percent; funds are exempt from the match requirements; funds not subject to consultation and citizen participation requirements; subrecipients may deviate from applicable procurement standards; and supportive services are not a required to receive treatment.

WHEREAS, SHRA has applied and received for waivers for the CDBG-CV, and ESG-CV funds.

WHEREAS, the City Council and County Board of Supervisors approved Sacramento COVID-19 Homeless Response Plan (Response Plan) and authorized implementation of the plan on April 7, 2020. The comprehensive plan utilizes, local, state and federal funding. The Response Plan designates the City and County with lead responsibilities.

WHEREAS, on April 13, 2020, a notice to solicit comments on the proposed actions was published. The actions are scheduled to be approved at the Sacramento County Board of Supervisors meeting on April 21, 2020, which meets the 5 day public comment period requirement.

WHEREAS, the recommended actions are considered administrative activities and therefore are not considered a project subject to the California Environmental Quality Act (CEQA) pursuant to Guidelines Section 15378, and are exempt under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34(a) (1) and (3). Environmental reviews for individual activities or programs identified in the Action Plan will be completed prior to project commitment or choice limiting actions.

Authorization To Substantially Amend The 2020-2024 Consolidated Plan; The 2020 One-Year Action Plan For CDBG, HOPWA, And ESG Funded Projects And Programs For The Coronavirus Aid, Relief, And Economic Security Act; Amendment Of Prior Years' Action Plans; Amend The City And County Of Sacramento Citizen Participation Plan; Amendment To The Shra Budget; Execute Documents For The Administration Of Federal Programs Related To The Cares Act

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NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO:

Section 1. All evidence present having been dully considered, the Sacramento County Board of Supervisors accepts the findings, which are found to be true and correct are hereby adopted.

Section 2. The Substantially Amended 2020-2024 Consolidated Plan, which lays out the strategic goals for CDBG, HOME, and ESG programs and as set forth in Attachment 1, is adopted. SHRA is directed to submit the Consolidated Plan to HUD.

Section 3. The Substantial Amendment to the 2020 One-Year Action Plan, which allocates CDBG, HOME, and ESG funds to various programs and activities as set forth in Attachment 2, is approved. Section 4: SHRA is authorized to amend its budget in accordance with Attachment 2 and amend CDBG, HOME, and ESG program budgets.

Section 5. The County Executive, or designee, is authorized to execute agreements with SHRA to carry out activities in the amended 2020 One-Year Action Plan in compliance with adopted policies, guidelines, regulations as approved to form by SHRA's and County's Counsel.

Section 6. SHRA is authorized to make any budget adjustments and execute any and all related documents, including invoicing, contracts, and amendments as necessary to carry out the activities identified in the amended 2020 One-Year Action Plan in compliance with applicable federal laws and regulations. SHRA is delegated to execute agreements and contracts with HUD and appropriate entities to implement the Action Plan;

Section 7. The amended City and County of Sacramento Citizen Participation Plan as set forth in Attachment 3, is approved.

Authorization To Substantially Amend The 2020-2024 Consolidated Plan; The 2020 One-Year Action Plan For CDBG, HOPWA, And ESG Funded Projects And Programs For The Coronavirus Aid, Relief, And Economic Security Act; Amendment Of Prior Years' Action Plans; Amend The City And County Of Sacramento Citizen Participation Plan; Amendment To The Shra Budget; Execute Documents For The Administration Of Federal Programs Related To The Cares Act

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On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento this 21st day of April, 2020, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

RECUSAL: Supervisors,

(PER POLITICAL REFORM ACT (§ 18702.5.))

Chair of the Board of Supervisors
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk, Board of Supervisors

Authorization To Substantially Amend The 2020-2024 Consolidated Plan; The 2020 One-Year Action Plan For CDBG, HOPWA, And ESG Funded Projects And Programs For The Coronavirus Aid, Relief, And Economic Security Act; Amendment Of Prior Years' Action Plans; Amend The City And County Of Sacramento Citizen Participation Plan; Amendment To The Shra Budget; Execute Documents For The Administration Of Federal Programs Related To The Cares Act

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County of Sacramento
Amendment to 2020-2024 Consolidated Plan

This report formally amends the 2020-2024 Consolidated Plan by allocating new CARES Act funding to the County of Sacramento activities listed below: Newly funded activities are scheduled to be begin implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds. Below is new language which will be incorporated into the 2020-2024 Consolidated Plan.

SP-05 Overview

March 27, 2020, Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was signed by the President of the United States. The CARES Act allocated to the City of Sacramento the following funding:

- \$3,470,768 of CDBG-CV,
- \$1,747,452 of ESG-CV

Strategic Goals

- Support disaster response and recovery activities in the event of local, state or national responses.

Disaster and response – Response to local, state, and national natural disasters is a priority. Existing and new funding may need to be allocated in such an event. A substantial action plan amendment undertaken to allocate funds and the Citizen Participation Plan will be followed. In the event HUD issues waivers of regulatory requirements, these will be evaluated and requested as necessary.

SP-45 Goals

Additional resources are added to:

3 - Public Services – CDBG-CV - \$3.8 million; ESG-CV \$1.3 million

5 – Administration - CDBG-CV - \$300,000; ESG-CV \$435,000

**County of Sacramento
Amendment to 2020 Action Plan and Previous Year's Action Plans**

This report formally amends the 2020 Action Plan and previous years' Action Plans allocating 2020 CARES Act funding to activities listed below: Newly funded activities to be implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds.

2020 One-Year Action Plan Amendment			
Recommendation – Community Development Block Grant			
Activity Name	Amount	Source	CDBG Criteria
Homeless Activities (Public Services): Funds will be used to design, administer, and implement homeless programs including but not limited to housing and shelter, detoxification, medical and counseling services, and provision of food.	\$3,366,645	CDBG-CV	03C/LMC 03T/LMC
CDBG Planning and Administration: Administrative and Planning Services for CDBG Programs (3%)	\$104,123	CDBG-CV	21A
Total	\$3,470,768		

2020 One-Year Action Plan Amendment		
Recommendation – Emergency Solutions Grant	Amount	Fund
Emergency Shelters (Public Services): Funds to provide emergency housing/shelters, delivery, operations and maintenance of facilities and essential supportive services per ESG regulations.	\$1,695,028	ESG-CV
ESG Program Administration: Administrative services for the implementation of ESG-funded activities (3%)	\$52,424	ESG-CV
Total	\$1,747,452	

**City and County of Sacramento
Citizen Participation Plan Amendment for Disaster**

The language below will be added to the current City and County of Sacramento Citizen Participation plan:

In event of a local, state, and national natural disaster existing and new funding may be allocated or re-allocated in an expedited timeframe. This will be done to streamline the allocation process and reduce delays in accessing grant funds. All required HUD notices, waivers, award letters or other communications will be followed. To achieve this minimum citizen participation requirement it will be applied per HUD notices, waivers, award letters or other HUD communication to the Consolidated Plan and/or substantially amended Action Plan(s).