



HOUSING DIVISION

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3308 • CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: June 2, 2020

Subject

Substantial Amendments to the FY 2019-20 Annual Action Plan, FY 2015-20 Consolidated Plan, and Citizen Participation Plan to provide funding for the COVID-19 Small Business Relief Grant Program, which is an eligible Department of Housing and Urban Development (HUD) activity in response to COVID-19

Recommended Action

Conduct Public Hearing; and

1. Adopt Draft Resolution approving the Substantial Amendments to the FY 2019-20 Annual Action Plan, FY 2015-20 Consolidated Plan, and Citizen Participation Plan to provide funding for the COVID-19 Small Business Relief Grant Program, which is an eligible HUD activity in response to COVID-19

Discussion

The substantial amendments to the City's HUD-approved FY 2015-2020 Consolidated Plan, 2019-20 Annual Action Plan, and Citizen Participation Plan (CPP), attached as Exhibit A, address community needs resulting from the COVID-19 pandemic. The City, as an entitlement jurisdiction, is required by HUD to submit a five-year Consolidated Plan, Annual Action Plans, and CPP in order to receive annual federal Community Development Block Grant (CDBG) funds that the City utilizes to address community development needs.

Background

The Coronavirus Aid, Relief and Economic Security Acts (CARES Act) (H.R. 748), which provided \$5 billion to the CDBG program to rapidly respond to the COVID-19 pandemic, was signed into law on March 27, 2020. With passage of the CARES Act, the City has been allocated \$229,017 in CDBG Coronavirus (CDBG-CV) funds for COVID-19 response activities. To access these CDBG-CV funds, HUD is requiring the City to substantially amend its FY 2015-2020 Consolidated Plan, its FY 2019-2020 Annual Action Plan, and its CPP. The substantial amendments to these documents are explained in detail below.

The 2019-20 Action Plan is a one-year plan which describes CDBG eligible programs, projects, and activities to be undertaken with funds expected during the FY 2019-20 (July 1, 2019–June 30, 2020) and their relationship to the priority housing, homeless, and community development needs of the City. The 2015-2020 Consolidated Plan is a five-year plan which outlines the City’s housing and community development needs and provides an action plan on how the City intends to use its federal funds to address those needs. The Citizen Participation Plan encourage citizens to participate in the development, revisions, and substantial amendments to the City’s CDBG program documents. Federal regulations require that the Amended 2019-20 Annual Action Plan, Amended 2015-20 Consolidated Plan, and Amended Citizen Participation Plan be made available community review for five days at www.cupertino.org/housing: May 27– June 2, 2020.

The CARES Act, in order to prevent the spread of COVID-19 and mitigate its health and economic impacts, also provided specific waivers and permitted flexibility in CDBG program requirements that include: suspending the 15 percent cap on funding public services, reducing the public comment period from 30 to 5 days, and allowing the option of virtual meetings in lieu of in-person public hearings in order to comply with national and local social gathering requirements.

Sustainability Impact

None

Fiscal Impact

Sufficient funding will be available and budgeted for FY 2020-21 CDBG funding allocations. CDBG programs and projects are funded by HUD grant funds.

Process

This is the one public hearing required by HUD for CDBG substantial amendments. The required HUD notice was published in the San Jose Mercury News newspaper in advance announcing the upcoming CDBG public hearings.

Prepared by: Kerri Heusler, Housing Manager

Reviewed by: Benjamin Fu, Director of Community Development

Approved by: Dianne Thompson, Assistant City Manager

Attachments:

A - Draft Resolution