

RECEIVED

Item No. 3

NOV 17 2020

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

City of South Gate
CITY COUNCIL

2:10pm

AGENDA BILL

For the Regular Meeting of November 24, 2020
Originating Department: Community Development

Interim Director:


Paul L. Adams

City Manager:


Michael Flad

SUBJECT: RESOLUTION APPROVING SUBSTANTIAL AMENDMENT NO. 4 TO THE FISCAL YEAR 2019/20 ANNUAL ACTION PLAN IN ACCORDANCE WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) REGULATIONS AND RATIFYING THE AMENDED FY 2020/21 CDBG AND HOME BUDGET ALLOCATIONS

PURPOSE: To continue the consideration of amending the Fiscal Year (FY) 2019/20 Annual Action Plan by programming \$863,385 in Community Development Block Grant Coronavirus (CDBV-CV3) funds to provide additional COVID-19 related programs and services, and to ratify the amended FY 2020/21 CDBG and HOME budget allocations, to the January 26, 2021 City Council meeting.

RECOMMENDED ACTION: Open the Public Hearing and continue the consideration of amending the Fiscal Year (FY) 2019/20 Annual Action Plan by programming \$863,385 in Community Development Block Grant Coronavirus (CDBV-CV3) funds to provide additional COVID-19 related programs and services, and to ratify the amended FY 2020/21 CDBG and HOME budget allocations, to the regularly scheduled City Council meeting of January 26, 2021.

FISCAL IMPACT: None.

NOTICING REQUIREMENTS: Advertising and notification of the Public Hearing was conducted in compliance with the Municipal Code Section 11.50.020 (Public Hearing Notification) and was published in the *Long Beach Press-Telegram* newspaper on November 14, 2020. The CARES Act adds additional flexibility to reduce the required public comment period from 30 days to not less than five (5) days. The noticing conducted by the City complies with these requirements.

ANALYSIS: The U.S. Department of Housing and Urban Development (HUD) enabled additional CDBG economic support as part of the Coronavirus Aid Relief and Economic Security (CARES) Act. The objectives of the CDBG program is to enable activities that respond to the economic effects of the Coronavirus Disease 2019 (COVID-19) pandemic, allowing grantees to reprogram existing or future CDBG funds as part of long-term social welfare and economic development

recovery efforts. Given the immediate needs faced by communities, HUD has announced a third allocation of funds. The City of South Gate will be eligible to receive \$863,385 in CDBG-CV funds. Staff is recommending the continuation of the programming of CDBG-CV funds to the January 26th, City Council meeting to allow for more time to receive guidance from HUD on the use of the new funding allocation.

HUD also allocated \$1,487,150 in CDBG and \$664,918 funds for the FY 2020/21 for the City of South Gate. Recently, the City was informed by HUD that there was an error in the formula calculation resulting in slight reduction to the City's allocation. The City's corrected allocation for CDBG is \$1,486,924, a difference of \$226; the corrected allocation for HOME is \$664,918, a difference of \$168.

In accordance with the City's Citizen Participation Plan, changes in CDBG funded activities that are less than 50% of the (budget or allocation) do not warrant a Substantial Amendment process. However, the budget adjustment does require City Council approval. City staff recommend reducing the amount previously allocated to the Administration of both the CDBG and HOME. The CDBG administration budget would be reduced by \$226, thus resulting in an amendment from \$273,430 to \$273,204. The HOME administration budget would be reduced by \$168, thus resulting in an amendment from \$166,229 to \$166,061.

ATTACHMENT: Public Hearing Notice

**PUBLIC NOTICE
CITY OF SOUTH GATE
CITY COUNCIL**

NOTICE OF PUBLIC HEARING

Hearing Date: Tuesday, November 24, 2020
Time: 6:30 p.m. or as soon thereafter as the matter may be heard
Place: Members of the public wishing to observe the meeting may join through a Call-In Conference. For the updated Dial-In Number and Conference Code for the November 24th City Council meeting please visit the **City's website at www.cityofsouthgate.org/AgendaCenter**

Description: Consider a substantial amendment to the 2019-2020 Annual Action Plan. The 2019-2020 Annual Action Plan, which sets forth specific activities and expenditures using funds received through the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) programs administered by the United States Department of Housing and Urban Development (HUD), was adopted by the City Council on May 28, 2019. When a substantial change (i.e. adding an activity, canceling an activity or redirecting funds) is proposed to the City Action Plan, the City requires that the public be notified and a Public Hearing be held to allow the public an opportunity to comment on the proposed substantial changes.

Proposed Amendment to the FY 19 Action Plan: CDBG and CDBG-CARES (CDBG-CV) Program:

The City is proposing to program funds under the CARES (CDBG-CV) program. The City Council will conduct a public hearing to consider the modification in activity funding levels for programs. The following programs may be added, increased, reduced, or eliminated:

CDBG-CV-3 Funds Available	
CDBG-CARES (CV-3) Allocation	\$863,385.00
Proposed Programs	
Administrative Budget	\$172,677.00
Food Insecurity Program	\$90,354.00
Illegal Dumping/ Youth Employment Program	\$160,000.00
Rental Assistance and Utility Program	\$90,354.00
Small Business Job Retention and Creation Program	\$200,000.00
Internet/ Public Wi-Fi Program	\$150,000.00
Total	\$863,385.00
Balance	\$0

Reasonable Noticing: The City will publish a legal notice in a newspaper of general circulation and on the City website at least ten (10) days prior to the public hearing.

Public Review Comment: A five-day public comment period will be provided commencing on November 19, 2020. Citizens can submit email comments in advance of the public hearing to the attention of the City Clerk.

Public Hearing: A telephonic public hearing will be considered adequate. Citizens can submit verbal comments to the City Council at the time of the telephonic public hearing.

Availability of Document for Public Comment: The City of South Gate encourages citizen participation in the planning process. A Public Hearing regarding this proposed Substantial Amendment to the 2019-20 One Year Action Plan will be held on November 24, 2020, 6:30 p.m. via the City's Call-in Conference.

Invitation to be heard: All interested persons are invited to the Public Hearing to be heard. In addition, written comments may be submitted to the City Council prior to the hearing. Comments may be submitted in writing by mailing comments to City of South Gate, Community Development Department, Attn: Dianne Guevara, Management Analyst, 8650 California Avenue, South Gate, CA 90280.

Those desiring a copy of the staff report or further information related to this project should contact:

Contact: Dianne Guevara, Management Analyst
Phone: 323-563-9535
E-mail: dguevara@sogate.org

Mailing Address: Community Development Department
City of South Gate
8650 California Avenue
South Gate, CA 90280-3075

Accessibility: It is the intention of the City of South Gate to comply with the Americans with Disabilities Act (ADA) in all respects. The City of South Gate will attempt to accommodate attendees in every reasonable manner. Please contact at least 72 hours prior to the above scheduled public hearing to establish need and to determine if additional accommodation is feasible.

ESPAÑOL

Información en Español acerca de esta junta puede ser obtenida llamando al 323-563-9535

Dated: November 12, 2020

Published: November 14, 2020