

CITY OF SAN MATEO

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Agenda Report

Agenda Number: {{item	n.number}}	Section Name: {{section.name}}	File ID: {{item.tracking_number}}
TO:	City Council		
FROM:	Drew Corbett, City Manager		
PREPARED BY:	Community Development Department		
MEETING DATE:	July 20, 2020		

SUBJECT:

Community Development Block Grant 2020-21 Annual Action Plan and Amendment to the 2019-2020 Annual Action Plan – Adoption

RECOMMENDATION:

Adopt the 2020-21 Annual Action Plan for the Community Development Block Grant and HOME programs and adopt an amendment to the 2019-20 Annual Action Plan.

BACKGROUND:

On May 18, 2020, the City Council adopted the 2020-21 Community Development Block Grant Annual Action Plan, as well as an amendment to the 5-Year Consolidated Plan (2018-2022). The Community Development Block Grant (CDBG) Program provides flexible funding for community development projects and programs to assist individuals and families from extremely low- to moderate-income households as defined by the Department of Housing and Urban Development (HUD). San Mateo receives an entitlement grant based on a national formula and has participated in this program since 1977.

The City also received an entitlement amount of HOME funds from 1994 to 2015 that was used to assist housing programs and projects for very low-income households. In 2016, the City joined a consortium with the County of San Mateo and South San Francisco to pool our HOME funds to provide more efficiency and timeliness in expending those funds. The City still collects loan payments from loans made prior to 2015 and must re- program those funds into HOME-eligible projects.

In March 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed that provided additional funding to the City of San Mateo through the CDBG program (CDBG-CV) to specifically address the COVID pandemic. HUD provided jurisdictions the option to plan and budget the funds in the 2019-20 program year, which required amending the 2019-20 Annual Plan, or to plan and budget the funds in the 2020-21 Annual Plan. The City decided to use the CDBG -CV funds, amounting to \$439,938, for emergency rental assistance to be managed by Samaritan House. After consulting with Samaritan House, and since the fiscal year was just about over, San Mateo decided to program the funds in the 2020-21 program year, which resulted in a more streamlined administrative process.

Since the City is a member of the HOME Consortium, San Mateo, South San Francisco and the County all submit the Annual Plans to HUD as a team. HUD recently informed the consortium that we must all include the CDBG-CV funds in the same Annual Plan year. Although the City of San Mateo and the County included the CDBG-CV funds in our respective 2020-21 Annual Plans, South San Francisco programmed the funds in their 2019-20 program year. In order for our grants to be processed, the City and County must now amend our 2019-20 Annuals Plans in order to be consistent with South San Francisco. This guidance was not provided to the consortium during the time we were drafting our plans.

This is a technical revision only. It does not change the amount of funds, nor the availability of funds, nor the use of the

funds. This action is merely to place the \$439,938 in CDBG-CV funds into the 2019-20 Annual Plan through an amendment. The 2020-21 Annual plan is revised to show this change as well. Since it had not yet been approved by HUD, it is not technically considered an amendment.

Attachment 1 shows the entire 2020-21 Annual Plan incorporating the minor changes that will be submitted to HUD, and Attachment 2 summarizes the edits to the existing HUD approved 2019-20 Annual Plan.

BUDGET IMPACT:

This action does not result in any changes to the City budget.

ENVIRONMENTAL DETERMINATION:

This plan is not a project subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5).) Individual CEQA and NEPA reviews will be completed for individual programs and projects as they are implemented.

NOTICE PROVIDED

All meeting noticing requirements were met. In addition, per the Community Participation Plan, a public comment period was required. A public notice of the 2020-21 Annual Plan and Amended 2019-20 Annual Plan was published in the San Mateo Daily Journal on July 10, starting a 10-day public comment period through July 20, 2020.

ATTACHMENTS

Att 1 - 2020-21 Annual Action Plan Att 2 - Summary of Substantial Amendment to 2019-20 Annual Action Plan

STAFF CONTACT

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