



**2020-21 ACTION PLAN – SUBSTANTIAL AMENDMENT 2
Reallocation of Community Development Block Grant – CARES
Act (CDBG-CV) Public Services Allocation**

**DRAFT FOR PUBLIC COMMENT PERIOD
May 21, 2021 – May 26, 2021**

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EXECUTIVE SUMMARY

Background

Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the President signed it on March 27, 2020 authorizing \$2.2 trillion in a variety of stimulus measures to prevent, prepare for, and respond to the COVID-19 pandemic. The law includes a special allocation of the Community Development Block Grant (CDBG-CV) to enable communities to effectively address the impact of COVID-19 on their communities, especially low- and moderate-income residents.

Sources

The City of Downey will receive the following grants from HUD under the CARES Act:

CDBG-CV: \$1,558,902

These funds are separate and distinct from the City's formula CDBG funds and must comply with the requirements summarized in 24 CFR § 570 and the flexibilities authorized in the CARES Act and summarized in Federal Register Notice 6218-N-01. The Downey City Council is responsible for determining how CDBG-CV funds will be used to prevent, prepare, and respond to the COVID-19 virus. In consultation with the City Council, City departments, and partners serving the needs of low- and moderate-income in the community, this submission to the City Council requests approval to invest CARES Act funding for the CDBG-CV project listed below.

Proposed Uses of Community Development Block Grant (CDBG-CV)

Public Services for Low-and Moderate-income residents: \$247,122

Small Business & Microenterprise Business Assistance Program: \$750,000

COVID-19 Emergency Rental Assistance Program: \$250,000

Program Administration: \$311,780

PROCESS

Given the urgency to design and launch programs with the CDBG-CV allocation, the CARES Act authorized grantees with the flexibility of providing 5-day public review periods such that residents are provided with reasonable notice of the amendment for the proposed use of the CDBG-CV funds.

As such, the City of Downey is conducting an abbreviated review period for this substantial amendment from May 21 – May 26, 2021. The City will conduct a public hearing for the substantial amendment as part of the May 25, 2021 City Council meeting. Residents can attend this meeting virtually or in-person.

To encourage review and comment on the proposed activities, the City of Downey published notices advertising the substantial amendment on the City website, social media accounts in compliance with the City’s Citizen Participation Plan. An electronic copy of the amendment was available on the City website and hard copies were made available at the City Administration offices.

To ensure reasonable participation in the public hearing, residents can attend the meeting in person or watch it live streamed on the City’s YouTube channel. Residents participating in the meeting virtually can provide comments to be read aloud via email or telephone message.

Sort Order	Activity	• Target Population	Summary	Summary of Comments Received
1.	Public Hearing	<ul style="list-style-type: none"> • Minorities • Non-English Speaking • Persons with disabilities • Broad community • Residents of public/assisted housing • Stakeholders 	The City conducted its public hearing to review the CDBG-CV Substantial Amendment 2 to the 2020 Action Plan on May 25, 2021.	<i>(to be completed after public hearing)</i>
2.	Comment Period	<ul style="list-style-type: none"> • Minorities • Non-English Speaking • Persons with disabilities • Broad community • Residents of public/assisted housing • Stakeholders 	The City conducted its comment period from May 20 – May 25, 2021.	<i>(to be completed at close of public comment period)</i>

Table 1 – Resident Engagement

EXPECTED RESOURCES – 91.220(C)(1,2)

Introduction

For the special allocation of CDBG-CV resources, the City received two allocations that amounted to the total of \$1,558,902. Should HUD authorize additional resources, the City will further amend this Action Plan.

Anticipated Resources

Program	Source of Funds	Eligible Use of Funds	CARES Act Allocation	Narrative Description
CDBG-CV	Public-Federal	<ul style="list-style-type: none"> Public Services Economic Development Planning and Administration 	\$1,558,902	Activities to prepare for, prevent, and respond to coronavirus within the City of Downey.

Table 2 - Expected Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

In the initial planning and programming of these resources, the Community Development Department has worked closely with other city departments as well as monitored other funding sources available at the local, state, and federal level to ensure that the City is not providing duplicative assistance and addressing unmet needs and gaps for low- and moderate-income residents.

Annual Goals and Objectives – 91.220(c)(3)

To allocate the CDBG-CV program, the City of Downey has established one new goal for the CDBG-CV program.

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	COVID-19 Response	2020	2024	Public Services Economic Development Planning and Administration Housing	Citywide	COVID-19 Impact	\$1,558,902	10,340 low- and moderate-income persons 15 jobs created/retained; 15 microbusinesses assisted

Table 3 – Annual Goals

PROJECTS – 91.220(D)

Introduction

With the CDBG-CV allocation, the City of Downey will fund the following projects:

Projects

#	Project Name
1.	Public Services for Low-and Moderate-income residents
2.	Small Business & Microenterprise Business Assistance Program
3.	COVID-19 Emergency Rental Assistance Program
4.	Program Administration

Table 4 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

These projects were determined in consultation with City staff, departments, and stakeholders serving low- and moderate-income residents of Downey to identify critical needs resulting from COVID-19 within the City.

Project Summary Information

1	Project Name	Public Services for Low-and Moderate-income residents
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG-CV: \$247,122
	Description	Through this project, the City will partner with local community-based organizations to provide food distribution, homeless prevention services, mental health services, senior meals, and basic emergency needs to low- and moderate-income residents adversely impacted by COVID-19 pandemic
	Target Date	12/31/2022
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 10,340 low- and moderate-income residents will benefit from this activity

	Location Description	Citywide
	Planned Activities	<p>This program will provide immediate assistance to low- and moderate-income residents impacted by COVID-19 for the following activities:</p> <ul style="list-style-type: none"> • Senior Citizen Food Distribution (City of Downey Parks and Recreation) - \$137,122 • Emergency Basic Needs (Downey Unified School District Family Resource Center) - \$26,667 • Homeless Prevention Services (The Whole Child) - \$56,667 • Substance Abuse Assistance (LA CADA) - \$26,666
2	Project Name	Small Business & Microenterprise Assistance Program
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG-CV: \$750,000
	Description	Through this project, the City will provide local small businesses and microenterprise businesses with grants on eligible expenses to businesses adversely impacted by COVID-19 pandemic
	Target Date	12/31/2022
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 15 jobs will be created/ retained within small businesses and 15 microenterprises will be assisted from this activity.
	Location Description	Citywide
	Planned Activities	This program will provide immediate assistance via \$25,000 grants for overhead expenses, rents, and utilities (excluding city owned utilities), business services, labor expenses, and supplies.
3	Project Name	COVID-19 Emergency Rental Assistance Program
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact

	Funding	CDBG-CV: \$250,000
	Description	Emergency Rental Assistance grants are rental payments made on behalf of an income-eligible household which will provide grants to income-eligible households economically impacted during the COVID-19 pandemic through job loss, furlough or reduction in hours or pay, residing in the City of Downey.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 156 low- and moderate-income residents will benefit from this activity
	Location Description	Citywide
	Planned Activities	This program will provide immediate assistance to low- and moderate-income residents impacted by COVID-19 for the following activities: <ul style="list-style-type: none"> • COVID –19 Rental Assistance Program (City of Downey Community Development) - \$250,000
4	Project Name	Program Administration
	Target Area	Citywide
	Goals Supported	All
	Needs Addressed	All
	Funding	CDBG-CV: \$311,780
	Description	This project provides for the administration of the CDBG-CV program activities.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Not Applicable
	Location Description	Not Applicable
	Planned Activities	Subject to the CARES Act and emerging policy from HUD, including program, regulations and waivers, CDBG-CV funds will be used to provide vital public services

		designed to prevent, prepare for, and respond to the COVID-19 pandemic. This includes activities administered by the City of Downey and/or its sub-recipients to address the needs of Downey residents.
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Table 5 – Project Details