



The City of Temecula

**2020-2021 ANNUAL ACTION PLAN – SUBSTANTIAL
AMENDMENT No. 3
Revised Budgets/Scope of Community Development Block
Grant – CARES Act
(CDBG-CV) Allocations**

**DRAFT FOR PUBLIC COMMENT PERIOD
August 29, 2022 – September 13, 2022**

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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. This substantial amendment No. 3 to the City's 2020-2021 Annual Action Plan will account for the revision of proposed budgets to be carried out with the City's CDBG-CV3 funding from the U.S. Department of Housing and Urban Development (HUD); totaling \$1,193,916. It should be noted that the City's previous substantial amendments that allocated the CDBG-CV funds to activities (Substantial Amendments No.1 and No.2) were previously approved by City Council on June 9, 2020 (Substantial Amendment No. 1) and November 10, 2020 (Substantial Amendment No. 2).

Sources

The City of Temecula's summary of grants from HUD under the CARES Act are identified below as:

Temecula Assist Program	\$329,916
Emergency Rental Assistance Program	\$500,000
Emergency Mortgage Assistance Program	\$264,000
Homeless Assistance Program	\$55,000
CDBG-CV Administration	\$45,000

These funds are separate and distinct from the City's regular 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 Temecula 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 Revisions of Community Development Block Grant (CDBG-CV3 funds)

Based on the level of activity in the City's current Mortgage and Rental Assistance Program, staff is proposing Substantial Amendment No. 3. The proposed Substantial Amendment to CDBG-CV Activities within the 2020-2021 Annual Action Plan provides the following recommendations:

- Close out the City's Emergency Rental Assistance Program; and reprogram remaining funds in this activity to the newly identified Mary Phillips Senior Center Outdoor Recreation project.
- Close out the City's Emergency Mortgage Assistance Program; and reprogram remaining funds in this activity to the newly identified Mary Phillips Senior Center Outdoor Recreation project.
- Of available funds from closed out projects identified above; increase budget of CDBG-CV Administration by \$4,967.42

PROCESS

Given the urgency for these funds to be used expeditiously on these 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 Temecula is conducting an extended review period over what is required as a minimum for this substantial amendment from August 29 – September 13, 2022. The City will conduct a public hearing for the substantial amendment as part of the September 13, 2022, City Council meeting. Residents can participate in the public hearing virtually by submitting public comments to the Temecula's City Clerks office.

To encourage review and comment on the proposed activities, the City of Temecula published notices advertising the substantial amendment on the City website, and social media accounts. An electronic copy of the amendment was available on the City website and hard copies were made available at the Community Development Department, City Clerk's Office, and Ronald H. Roberts Temecula Public Library.

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 Substantial Amendment No. 3 to the 2020-21 Action Plan on September 13, 2022.	<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 August 29 – September 13, 2022.	<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 an allocation of \$1,193,916. Should HUD authorize additional resources, the City will further amend its 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">• Economic Development• Housing• Public Services	\$1,193,916	CDBG activities to prepare for, prevent, and respond to Coronavirus within the City of Temecula

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 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 Temecula 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	2023	Public Services, Economic Development, Housing, Infrastructure Improvements	Citywide	COVID-19 Impact	\$1,193,916	230 Households assisted; 35 small businesses assisted

Table 3 – Annual Goals

PROJECTS – 91.220(D)

Introduction

With the CDBG-CV allocation, the City of Temecula will revise the previously allocated funds to the following projects:

Projects

#	Project Name
1.	Emergency Rental Assistance Program
2.	Emergency Mortgage Assistance Program
3.	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 Temecula to identify critical needs resulting from COVID-19 within the City.

Project Summary Information and funding modifications as part of Substantial Amendment No. 3 to CDBG-CV funded activities.

CDBG-CV Activity	Original Budget	New Proposed Budget	Net change
Emergency Rental Assistance Program	\$500,000	\$45,822	-\$454,178
Emergency Mortgage Assistance Program	\$264,000	\$49,543	-\$214,457
CDBG-CV Administration	\$45,000	\$49,967	+\$4,967
Mary Phillips Senior Center Outdoor Recreation Project (CDBG-CV)	\$0	\$663,668	+\$663,668