



CITY OF SANTA ANA

2019- 2020 ANNUAL ACTION PLAN

COVID-19

SUBSTANTIAL AMENDMENT

#2



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**SUBSTANTIAL AMENDMENT #2 TO THE FY 2019-2020
ANNUAL ACTION PLAN TO ADD COMMUNITY
DEVELOPMENT BLOCK GRANT – CORONAVIRUS (CDBG-
CV3) AND EMERGENCY SOLUTIONS GRANT -
CORONAVIRUS (ESG-CV2) FUNDS**

Substantial Amendment
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INTRODUCTION

The City of Santa Ana’s federal Annual Action Plan details the funding strategy for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and HOME Investment Partnerships programs each year. These Annual Action Plans implement our jurisdiction’s Five-Year Consolidated Plan and are developed through significant public input, analyses, and planning. This document is a Second Substantial Amendment to the City of Santa Ana’s Fiscal Year 2019-2020 Annual Action Plan, which was submitted to the U.S. Department of Housing and Urban Development (HUD) in May 2019.

Title 24 Section 91.505 of the Code of Federal Regulations stipulates that participating jurisdictions shall amend their approved plans whenever they make one of the following decisions:

1. To make a change in its allocation priorities or a change in the method of distribution of funds;
2. To carry out an activity, using funds from any program covered by the Consolidated Plan (including program income) not previously described in the action plan; or
3. To change the purpose, scope, location, or beneficiaries of an activity.

SUBSTANTIAL AMENDMENT

On March 27, 2020 the United States Congress passed The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. The bill provided \$5 billion for CDBG to rapidly respond to COVID-19 and the economic and housing impacts caused by it, including the expansion of community health facilities, childcare centers, food banks, and senior services. The bill also provided \$1 billion for ESG to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

The City of Santa Ana will receive a second allocation from the third round of Community Development Block Grant– Coronavirus (CDBG–CV) Program funds in the amount of \$3,520,819 and a second allocation of Emergency Solution Grant – Coronavirus (ESG-CV) Program funds in the amount of \$11,598,442 that were not previously described in the Fiscal Year 2019-2020 Annual Action Plan or subsequent Substantial Amendment #1. A Second Substantial Amendment to the FY 2019-2020 Annual Action Plan is required, and usually a thirty (30) day public comment period is required however, the U.S. Department of Housing and Urban Development (HUD) has waived this requirement provided that no less than five (5) days are provided for public comments on each substantial amendment.

The CDBG-CV and ESG-CV funds allocated under the CARES Act may be used for a range of eligible activities that prevent and respond the spread of infectious diseases such as the coronavirus disease 2019 (COVID-19). The proposed activities must meet one of the three National Objectives as required by CDBG regulations:

- Benefit low-and-moderate income persons.
- Aid in the prevention or elimination of slums or blight, and
- Meet an urgent need.

City staff is recommending to allocate the funds as follows:

CDBG-CV3	Allocation
FY 20-21 CDBG-CV2	\$3,520,819
Administrative Costs Allowance (CDA)	\$704,164
Utility Assistance	
Rental Assistance	
Discover Science Center	
Food Insecurity	
Senior Services (Food, mobile clinic services, non-perishable supplies, PPE kits)	

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Sanitation of parks and alley-ways	
Foreclosure prevention for homeowners	
Mental Health Services	
Servicing the trailers from the State of CA (if not covered from another source)	

ESG-CV2	Allocation
FY 20-21 ESG-CV2	\$11,598,442
Administrative Costs Allowance (CDA)	\$1,159,844
Operating costs to start up the Year-Round Homeless Navigation Center and Recuperative Care Facility at 1815 Carnegie Avenue	\$3,249,361
Extension of the interim 200-bed shelter at The Link beyond October 31, 2020, while the new Homeless Navigation Center on Carnegie Avenue is under development	\$1,424,490
Eviction Prevention for Very-Low Income Families until August 2022 (Santa Ana Zero Eviction Program)	\$5,514,747
Eviction Defense Fund for Very-Low Income Families qualified under Santa Ana Zero Eviction Program	\$250,000

In addition and for the purpose of an expedited use of the CDBG-CV3 and ESG-CV2 funding, the bill eliminates the cap on the amount of funds a grantee can spend on public services, removes the requirement to hold in-person public hearings in order to comply with national and local social gathering requirements, and allows grantees to be reimbursed for COVID-19 response activities regardless of the date the costs were incurred.

Public Review

Pursuant to HUD regulations, the City’s Citizen Participation Plan and current HUD waivers for grant programs and consolidated plan requirements to prevent the spread of COVID-19, staff published a 5-day comment period and public hearing. Public comments and Council’s allocation recommendations will be included in the Second Substantial Amendment to the FY 2019-2020 Annual Action Plan.

**EXHIBIT 1
SUMMARY OF PUBLIC COMMENTS
&
PROOF OF PUBLICATION 5-DAY COMMENT PERIOD AND PUBLIC HEARING**

SUMMARY OF PUBLIC COMMENTS

**SUMMARY OF PUBLIC COMMENTS RECEIVED DURING 5-DAY COMMENT PERIOD AND STAFF
RESPONSE:**

The draft amendment was available from November 20, 2020 to November 24, 2020 for HUD's required 5-day public comment period. A public notice was published on November 20, 2020 in the Orange County Register in English, La Opinion in Spanish and the Ngoi Viet in Vietnamese to inform the public of the commencement of the 5-day public comment period and public hearing. *XX comments were submitted for the Substantial Amendment.*

12/01/2020 CITY COUNCIL MEETING PUBLIC HEARING:

At its Regular Meeting on December 1, 2020, the City Council approved the **SUBSTANTIAL AMENDMENT #2 TO THE FY 2019-2020 ANNUAL ACTION PLAN TO ADD COMMUNITY DEVELOPMENT BLOCK GRANT – CORONAVIRUS (CDBG-CV3) FUNDS AND EMERGENCY SOLUTIONS GRANT - CORONAVIRUS (ESG-CV2) FUNDS** by a vote of (XX:XX).

PROOF OF PUBLICATION 5-DAY COMMENT PERIOD AND PUBLIC HEARING