



The City of Fontana
Administrative Services Department

ACTION PLAN – SUBSTANTIAL AMENDMENT
Addition of CARES Act
(CDBG-CV and ESG-CV) Allocations

DRAFT FOR PUBLIC COMMENT PERIOD
September 18 – September 22, 2020

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Executive Summary

September 2020 - Amendment

Given the high level of demand for housing assistance, the City of Fontana has reallocated \$488,084 from the economic development program to the housing assistance program. The City of Fontana will use resources via the Department of Treasury Coronavirus Relief Fund to provide economic development assistance to Fontana businesses impacted by COVID-19.

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) and Emergency Solutions Grant (ESG-CV) funds to enable communities to effectively address the impact of COVID-19 on their communities, especially low- and moderate-income residents.

Sources

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

CDBG-CV	\$1,235,104
ESG-CV	\$ 619,569

These funds are separate and distinct from the City’s regular CDBG and ESG funds. As of June 30, 2020, HUD continues to release guidance for these programs containing modified program requirements. Subject to the CARES Act and emerging policy from HUD, the City Council is responsible for determining how CDBG-CV and ESG-CV funds will be used to prevent, prepare and respond to the COVID-19 virus. In consultation with key 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 and ESG-CV projects listed below.

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

Housing Assistance:	\$988,084
Program Administration:	\$247,020

Proposed Uses of Emergency Solutions Grant (ESG-CV)

Homeless Assistance	\$557,613
Program Administration	\$61,956

Process

September 2020 Amendment

The City of Fontana is conducting a 5-day review period for this substantial amendment from September 18 – September 22, 2020. The City will conduct a virtual public hearing for the substantial amendment as part of the September 22, 2020 City Council meeting.

Original Amendment

Given the urgency to design and launch programs with the CDBG-CV and ESG-CV allocations, the CARES Act authorized grantees with the flexibility of providing 5-day public review periods and the authority to use virtual public hearings to fulfill applicable public hearing requirements. On March 31, 2020, HUD issued a memo authorizing grantees to modify public review and hearing requirements to comply with this flexibility. The City of Fontana requested the use of these waivers on April 21, 2020 and received approval from HUD on April 23, 2020 to utilize them.

As such, the City of Fontana is conducting a 5-day review period for this substantial amendment from July 10 – July 14, 2020. The City will conduct a virtual public hearing for the substantial amendment as part of the July 14, 2020 City Council meeting.

To encourage review and comment on the proposed activities, the City of Fontana published notices advertising the substantial amendment in English and Spanish newspapers. The City posted this amendment on the City's website for review and comment.

To ensure reasonable participation in the public hearing, the meeting will be broadcast live on KFON TV as well as through the City's website. Additionally, residents can listen to the public hearing via teleconference. Residents can submit comments via email or mail during the public review period or during the public hearing.

Draft Substantial Amendment – for public review

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 to the Action Plan on July 14, 2020.	No comments
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 5-day comment period from July 10 – July 14, 2020	No comments
3.	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 to the Action Plan on September 22, 2020.	
4.	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 5-day comment period from September 18 – September 22, 2020	

Table 1 – Resident Engagement

Expected Resources – 91.220(c)(1,2)

Introduction

For the special allocation of CDBG-CV and ESG-CV resources, the City anticipates it will receive a CDBG allocation of \$1,235,104 and an ESG allocation of \$619,569. If HUD authorizes additional resources, the City will further amend this Action Plan.

Anticipated Resources

Program	Source of Funds	Use of Funds	CARES Act Allocation	Narrative Description
CDBG-CV	Public-Federal	<ul style="list-style-type: none"> • Planning and Administration • Economic Development • Housing • Public Services 	\$1,235,104	CDBG activities to prevent, prepare, or respond to COVID-19
ESG-CV	Public-Federal	<ul style="list-style-type: none"> • Homeless Prevention • Rapid Rehousing 	\$619,569	ESG activities to prevent, prepare, or respond to COVID-19

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 County, State, and Federal partners to identify other available resources authorized through the CARES Act, the Small Business Administration (SBA), and Federal Emergency Management Agency (FEMA) that can be leveraged to maximize the impact of the CDBG-CV and ESG-CV resources.

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

To allocate the CDBG-CV and ESG-CV programs, the City of Fontana has established one new goal for the Annual Action Plan.

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	COVID-19 Response	2019	2022	Affordable Housing; Non-Housing Community Development; Homeless	Citywide	COVID-19 Impact	CDBG: \$1,235,104 ESG: 619,569	100 households; 50 persons (homeless prevention); 30 persons (rapid rehousing) 75 persons (street outreach); 50 persons (emergency shelter)

Table 3 – Annual Goals

Projects – 91.220(d)

Introduction

With the CDBG-CV and ESG-CV allocations, the City of Fontana will fund the following projects.

Projects

#	Project Name
1	Program Administration
2	Housing Assistance
3	ESG-CV Assistance

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 Fontana to identify critical needs resulting from COVID-19 within the City.

Project Summary Information

1	Project Name	Program Administration
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG: \$247,020
	Description	Overall administration of the CDBG-CV Program including: completion of grant application, oversight of citizen participation process, development of annual funding contracts with agencies, set up of projects in HUD funds disbursement system and draw down funds, implementation of projects and compliance with HUD reporting requirements. Eligibility of this activity is based on Section 105(a)(13) of HUD's regulation.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	n/a
	Location Description	Activities will be managed from City offices.
	Planned Activities	Planning and Administration of the CDBG-CV Program.

Draft Substantial Amendment – for public review

2	Project Name	Housing Assistance
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	CDBG: \$988,084
	Description	Through this program, the City will provide short-term (3 consecutive months) of housing assistance to households adversely impacted by COVID-19.
	Target Date	12/31/2021
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 100 low- and moderate-income households will benefit from this activity
	Location Description	Citywide
	Planned Activities	This program will provide immediate financial housing assistance to low- and moderate-income households that were adversely impacted by COVID-19 and are unable to pay rent or mortgage payments and will be at risk of eviction or foreclosure when current housing eviction moratoriums expire.
3	Project Name	ESG-CV Assistance
	Target Area	Citywide
	Goals Supported	COVID-19 Response
	Needs Addressed	COVID-19 Impact
	Funding	ESG: \$619,569
	Description	Support a continuum of services in Fontana and San Bernardino County to prevent and eliminate homelessness for households impacted by COVID-19 including but not limited to homeless prevention and rapid rehousing programs
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	(see planned activities below)
	Location Description	Citywide

	Planned Activities	Street Outreach (75 persons assisted) \$85,113 Emergency Shelter (50 persons assisted) \$72,000 Rapid Re-Housing (30 persons) \$300,000 Homeless Prevention (50 persons) \$257,613 HMIS \$37,000 ESG Program Administration \$61,956
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Table 5 – Project Details