



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE:

April 15, 2020

DEPARTMENT:

Community Development

DIVISION:

Neighborhood Servicees

- ☒ Motion
☐ Resolution
☐ Ordinance - Introduction
☐ Ordinance - Adoption
☐ Public Hearing

TITLE:

Special allocation of CDBG funds for COVID-19 emergency response

SUMMARY RECOMMENDATION:

Authorize the use of CDBG funds from the CARES Act for an Emergency Rental Assistance Program for households economically impacted by COVID-19-related job losses and for public services addressing critical community needs.

REPORT:

The US Department of Housing and Urban Development (HUD) has notified the City of Yuma that it will receive \$505,565 of additional Community Development Block Grant (CDBG) funds for use in responding to COVID-19 virus concerns. These funds are authorized by the Coronavirus Aid, Relief, and Economic Security (CARES Act) for emergency response to the impact of the virus on our community.

Staff consulted non-profit organizations in our community, those on the front-line of COVID-19 response, for input on how these funds can best assist City residents who suffered economic consequences from the mass shutdown of businesses to halt the spread of the virus. Based on that input, staff recommends these funds be designated for Emergency Rental Assistance for those who were furloughed, laid-off, or otherwise lost income because of COVID-19 and for an emergency response grant to a non-profit organization or organizations addressing critical community needs.

CDBG guidelines at 24 CFR 570.207(4) allow emergency rent payments for up to three consecutive months for housing expenses. Further 24 CFR 570.201 authorizes provision of public services to agencies addressing health-related concerns.

Staff recommends an Emergency Rental Assistance program as follows:

- Two months emergency rental payments to landlords on behalf of tenants who document a loss of income as a direct result of a COVID-19 business slow-down or closure. Payments to

landlords will eliminate rent payment delinquencies in order to prevent eviction and displacement.

- Eligible tenants will be low to moderate income and not receiving any other type of rental assistance under state or federal assistance programs.

Secondly, staff recommends setting aside a portion of the CARES-CDBG allocation for award to a local non-profit organization or organizations that provide critical community services in response to the COVID-19 threat. Eligible public services could include the temporary addition of qualified personnel to respond to mental health needs.

To facilitate the implementation of these emergency responses in a timely manner, this Council action will:

- Authorize amendments to the City of Yuma 2016-2020 CDBG Consolidated Plan and 2019, 2020 Annual Action Plans to provide emergency response to community needs resulting from COVID-19;
- Direct staff to allocate the CDBG-CARES funding for an Emergency Rental Assistance Program and public services addressing critical community needs;
- Authorize the City Administrator to execute necessary documents and agreements to facilitate the receipt and expenditure of the CDBG-CARES allocation.

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|------------------------|---|----------------------------|--|--------|
| FISCAL REQUIREMENTS | CITY FUNDS: | \$0.00 | BUDGETED: | \$0.00 |
| | STATE FUNDS: | \$0.00 | AVAILABLE TO TRANSFER: | \$0.00 |
| | FEDERAL FUNDS: | \$505,565.00 | IN CONTINGENCY: | \$0.00 |
| | OTHER SOURCES: | \$0.00 \$0.00 \$0.00 | FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT / FUND / CIP: \$0.00 | |
| | TOTAL: | \$505,565.00 | | |
| | FISCAL IMPACT STATEMENT: | | | |
| ADDITIONAL INFORMATION | SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK: 1. 2. 3. 4. 5. | | | |
| | IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL? <input checked="" type="radio"/> Department <input type="radio"/> City Clerk's Office <input type="checkbox"/> Document to be recorded <input type="checkbox"/> Document to be codified | | | |
| SIGNATURES | CITY ADMINISTRATOR: | | DATE: | |
| | Philip A. Rodriguez | | 4/7/2020 | |
| | REVIEWED BY CITY ATTORNEY: | | DATE: | |
| | Richard W. Files | | 4/7/2020 | |
| SIGNATURES | RECOMMENDED BY (DEPT/DIV HEAD): | | DATE: | |
| | Jay Simonton | | 4/7/2020 | |
| SIGNATURES | WRITTEN/SUBMITTED BY: | | DATE: | |
| | Rhonda Lee-James | | 4/6/2020 | |