



**Los Angeles Housing + Community Investment Department (HCIDLA)
Proposed Third Substantial Amendment to the
46th Year (2020-21) Housing and Community Development Annual Action Plan
(46-03)**

**Project Allocations for the Coronavirus Aid, Relief, and Economic Security (CARES) Act
Community Development Block Grant (CDBG-CV) Funds**

Purpose

In accordance with the Code of Federal Regulations (found under 24 CFR Parts 91.105 and 91.505), and our Citizen Participation Plan, the City of Los Angeles is required to provide citizens with an opportunity to comment on all proposed Substantial Amendments to its Housing and Community Development Consolidated Annual Action Plan (Con Plan). The City wishes to notify the public of a proposed substantial amendment to its 46th Year (PY 46) 2020-21 Annual Action Plan.

The CARES Act authorizes an expedited public comment period for CDBG-CV proposed allocations, and the public will have at least five days to review and comment, in accordance with a federal waiver requested April 7, 2020 and effective April 9, 2020. A five-day public comment period will be open to provide the public with an opportunity to review and comment on this proposed third amendment, beginning November 20, 2020 and ending on December 2, 2020.

Proposed Changes

The first allocation of \$31,963,374 in Community Development Block Grant funding was provided to the City through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This proposed amendment will allocate \$21,934,335 of CDBG-CV funds to various programs to assist with the burdens facing many Angelenos caused by the COVID-19 pandemic. Of the \$31,963,374 CDBG-CV award \$10,029,039 has already been allocated to the COVID-19 Eviction Defense Program, which was available for public comment from September 2, 2020 to September 13, 2020. Although \$8,000,000 was originally proposed, greater need than anticipated expanded the program.

Background

In early 2020, the novel coronavirus known as SARS-CoV-2, which results in the COVID-19 infection, reached the United States and triggered devastating nationwide impacts that have taken many forms, including significant ongoing health and socio-economic impacts. In an attempt to contain and slow the spread of the disease, the State of California, along with both the County and the City of Los Angeles, issued orders to socially distance and stay at home. The sudden freeze on many activities caused a massive economic downturn, in which many people lost their jobs and income. Subsequently, on March 27, 2020, the federal CARES Act was signed into law. This package included one-time, additional funding for the CDBG program (CDBG-CV), which is one of four entitlement grants the City receives from the U.S. Department of Housing and Urban Development (HUD) for housing and community development projects that primarily benefit low-income persons. These funds will be used to prepare for, prevent, and respond to the pandemic and its effects.

Proposed Projects

Normally, CDBG is restricted to fund no more than 15% of the total grant for public service activities, however, the CARES Act removed this restriction for CDBG-CV funding. This provides the City of Los Angeles an unprecedented opportunity to access maximum federal resources to offer a range of services to low-moderate income households hit hardest by COVID-19. This first allocation of CDBG-CV funding is proposed to respond to the growing challenges households are experiencing by alleviating food insecurity, providing small business assistance, supporting families on the verge of homelessness, as well as supporting homeless prevention and employment services to homeless adults. Table 2 is the proposed budget.

Table 1: CDBG-CV Resources

CARES CDBG Resources (CDBG-CV)	Amount
Total of initial allocation from HUD	\$31,963,374
Less: Already allocated to Eviction Defense Program	\$10,029,039
Resources remaining from 1st allocation of CDBG-CV	\$21,934,335

Table 2: Proposed Projects

Project/Program	Dept.	CDBG-CV Amount	Description
Feed LA	HCIDLA	\$5,612,055	The pandemic has caused high rates of poverty, and even higher levels of food insecurity, among vulnerable Angelenos; as such, programs to assist with this issue are crucial. YMCA centers will be developed into more extensive community hubs to enhance food distribution, provide jobs, and provide internet access to students that may lack the resource at home. The funds will allow the YMCA to distribute more food, hire people to assist with the distribution, and transform their parking lots into socially-distanced learning spaces with access to content-restricted internet access. In total, the program is expected to produce over 1 million grab-and-go meals, 400,000 boxes/bags of groceries, and assist 10,000 students. (See Council File 20-1349 for more information.)

Project/Program	Dept.	CDBG-CV Amount	Description
Alternative Learning Centers	Recreation & Parks (RAP)	\$2,255,600	Funds supervised learning centers, 20 days per month at 50 sites, for after school programs serving elementary and middle school students at recreation centers across the City. Spaces provide free internet access and recreational activities; all learning centers follow guidance from the Los Angeles County Department of Public Health and Center for Disease Control and Prevention.
Los Angeles BusinessSource Centers (LABSC)	Economic & Workforce Development (EWDD)	\$2,000,000	<p>The Los Angeles BusinessSource System is operated by community-based organizations with expertise and experience in providing technical assistance to businesses. The training components target the small businesses and microenterprise owners and entrepreneur populations.</p> <p>The CDBG-CV funds will be used to prevent, prepare for, and respond to the COVID-19 pandemic effects and to enhance services provided to the existing portfolio of businesses that the Centers are working with, as well as expand the Centers' capacity to assist additional businesses. New enhancements include language-appropriate services, tax preparation, and access to technology.</p>
Homeless Prevention for Adults	Los Angeles Homeless Services Authority (LAHSA)	\$1,620,000	This amount will cover three months of funding to compensate for a Measure H shortfall (Council File 20-1385). LAHSA will implement homeless prevention programming in the City of Los Angeles. Under Measure H, Strategy A5, single adults and transition- age youth (TAY) in Los Angeles County who are imminently at-risk of becoming homeless can receive prevention services from providers who are funded by LAHSA.

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Project/Program	Dept.	CDBG-CV Amount	Description
LA Rise	EWDD	\$750,000	LA:RISE is a partnership between the City and County Workforce Development Systems with nonprofit social enterprises and for-profit employers to help youth or individuals who have been previously homeless or incarcerated get good jobs and stay employed. This amount will cover three months of funding to compensate for a Measure H shortfall (Council File 20-1385).
Criminal Record Clearing Project	City Attorney	\$232,965	This project seeks to clear homeless persons of criminal records so that they would have an easier time finding housing. This amount will cover three months of funding to compensate for a Measure H shortfall (Council File 20-1385).
Pallet Shelters	Public Works - Bureau of Engineering	\$8,000,000	City-County Homeless Roadmap Agreement to provide temporary housing for homeless individuals. Pallet shelters are temporary, insulated housing solutions that would be set up to house individuals who are currently homeless and affected by the COVID pandemic. In Council Districts 2, 3, 13, and 15, 700 beds will be made available at seven sites.
Services Subtotal		\$20,470,620	
HCIDLA Administration	HCIDLA	\$1,138,000	For proper cost allocation for staff work on CDBG-CV.
EWDD Administration	EWDD	\$325,715	For proper cost allocation for staff work on CDBG-CV.
Administration Subtotal		\$1,463,715	
Total		\$21,934,335	

Comment Period

HCIDLA will receive public comment on the proposed amendment between Friday, November 20, 2020 through Wednesday, December 2, 2020.

Please address questions or comments on the proposed substantial amendment to:

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