

DRAFT

**AMENDMENT TO THE
2017-2021 CONSOLIDATED PLAN
AND 2019-2020 ACTION PLAN**

**COMMUNITY DEVELOPMENT BLOCK GRANT
COVID-19 ALLOCATION**

City of Paramount
Finance Department
16400 Colorado Avenue
Paramount, CA 90723
paramountcity.com/community/cdbg.

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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 \$2 billion Community Development Block Grant (CDBG) for entitlement communities. The City of Paramount receives regular formula-based entitlement grants of CDBG and HOME funds through the United States Department of Housing and Urban Development (HUD) each year.

Sources

The City of Paramount will receive the following grant from HUD under the CARES Act:

CDBG-CV	\$466,928
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These funds are separate and distinct from the City's regular CDBG funds. As of May 14, 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 funds will be used to prevent, prepare and respond to the COVID-19 virus. In consultation with various City departments, this submission to the City Council requests approval to invest CARES Act funding for the CDBG-CV activities listed below.

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

Emergency Rental Assistance Grant Program	\$ 93,386
Emergency Mortgage Assistance Grant Program	\$ 93,386
Emergency Small Business Grant Program	\$186,771
CDBG-CV Program Administration	\$ 93,385

*Reallocation of Regular Community Development Block Grant

Emergency Rental Assistance Grant Program	\$ 31,614
Emergency Mortgage Assistance Grant Program	\$ 31,614
Emergency Small Business Grant Program	\$ 58,229

*Re-allocation of 2019-2020 FY Commercial Rehabilitation Program funds in the amount of \$121,457.

AP-15 Expected Resources

The CARES Act allocations from HUD include \$466,928 of CDBG-CV funds. The period of performance for these grants under the law is from March 1, 2020 to September 30, 2022.

Table 1 – Expected Resources

Program	Uses of Funds	Expected Amount Available				Narrative Description
		Allocation:	Program Income:	Prior Year Resources:	Total:	
CDBG-CV	Admin and Planning					CARES Act allocation of CDBG to address COVID-19
	Economic Development	\$466,928	\$0	\$0	\$466,928	
	Housing					

Matching Requirements

The CARES Act allocations of CDBG-CV funds do not require a local matching funds contribution.

Note: Information on this page will also be used to update the 2017-2021 Consolidated Plan “SP-35 Anticipated Resources” section, adding the CDBG-CV allocations shown in Table 1.

AP-20 Goals and Objectives

Goals Summary Information

Table 2 – Goals and Objectives

Goal Name	Time Period	Category	Needs Addressed	Funding	Goal Outcome Indicator
Goal 1 CDBG-CV Emergency Assistance Includes Program Admin	2019 - 2021	Affordable Housing	Urgent Need for assistance to address COVID- 19	CDBG-CV: \$280,157 CDBG: \$63,228	Rental Assistance: 70 Households Assisted Mortgage Assistance: 70 Households Assisted
Description: Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, CDBG-CV funds will be used to provide vital public services designed to prevent, prepare for, and respond to the COVID-19 pandemic. This includes activities administered by the City of Paramount and/or its sub-recipients to address housing needs of Paramount residents.					
Goal 2 CDBG-CV Emergency Economic Opportunity	2019 - 2021	Non-Housing Community Development	Urgent Need for assistance to address COVID- 19	CDBG-CV: \$186,771 CDBG: \$58,229	Business Assistance: 20 Businesses Assisted
Description: Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, CDBG-CV funds will be used to provide vital public services designed to prevent, prepare for, and respond to the COVID-19 pandemic. This includes activities administered by the City of Paramount and/or its sub-recipients to address business needs of Paramount businesses.					

Note: Information from this page will also be used to update the 2017-2021 Consolidated Plan “SP-45 Strategic Plan Goals” section, adding the two goals shown in Table 2.

AP-35 Projects and activities

To address the CDBG-CV goals, the City of Paramount will invest these funds for the project activities shown in the tables below.

Table 3 – CDBG-CV Project and Activities

1	Project Name	Emergency Rental Assistance Grant Program
	Target Area	Citywide
	Goals Supported	CDBG-CV Emergency Assistance
	Needs Addressed	Housing
	Funding	CDBG-CV: \$93,386 CDBG: \$31,614
	Description	Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, CDBG-CV funds will be used to provide services designed to prevent, prepare for, and respond to the COVID-19 pandemic. The program will provide emergency rental assistance grants to income-eligible tenants economically impacted during the COVID-19 pandemic through job loss, furlough or reduction in hours or pay, residing in the City of Paramount.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit	60 Households
	Location	Citywide
	Planned Activities	Emergency Rental Assistance Grant Program \$125,000

2	Project Name	Emergency Mortgage Assistance Grant Program
	Target Area	Citywide
	Goals Supported	CDBG-CV Emergency Assistance
	Needs Addressed	Housing
	Funding	CDBG-CV: \$93,386 CDBG: \$31,614
	Description	Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, CDBG-CV funds will be used to provide services designed to prevent, prepare for, and respond to the COVID-19 pandemic. The program will provide emergency mortgage assistance grants to income-eligible homeowners economically impacted during the COVID-19 pandemic through job loss, furlough or reduction in hours or pay, residing in the City of Paramount.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit	60 Households
	Location	Citywide
	Planned Activities	Emergency Mortgage Assistance Grant Program \$125,000

3	Project Name	Emergency Small Business Grant Program
	Target Area	Citywide
	Goals Supported	Economic Opportunity
	Needs Addressed	Promote Economic Opportunity
	Funding	CDBG-CV: \$186,771 CDBG: \$58,229
	Description	Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, CDBG-CV funds will be used to provide services designed to prevent, prepare for, and respond to the COVID-19 pandemic. With the health order requiring many businesses to be closed, or restaurants that must pivot to takeout only, many businesses are unable to pay employees, are unable to pay their commercial rent, and will not have enough cash-flow when the health order is lifted to be able to re-stock, re-supply, and re-staff their businesses.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit	20 Businesses
	Location	Citywide
	Planned Activities	Emergency Small Business Assistance Grant Program \$245,000

4	Project Name	CDBG-CV Program Administration
	Target Area	Citywide
	Goals Supported	All
	Needs Addressed	All
	Funding	CDBG-CV: \$93,385
	Description	This project provides for the administration of the CDBG-CV program activities.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit	Not applicable
	Location	Not applicable
	Planned Activities	CDBG-CV Program Administration \$93,385

AP-90 Program Specific Requirements

In the implementation of program activities under the CDBG-CV Action Plan will follow all HUD regulations and some or all of the waivers made available by HUD concerning compliance matters such as program income, forms of investment, and overall low- and moderate-income benefit (if applicable).

Community Development Block Grant Program (CDBG)

The following tables address HUD regulatory requirements at 24 CFR 92.220(l)(1) concerning program income and CDBG-CV low- and moderate-income benefit.

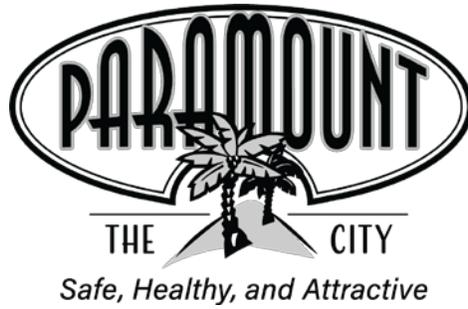
Table 3 – Program Income

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Table 4 – Low- and Moderate-Income Benefit

1. The amount of urgent need activities*	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low- and moderate-income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low- and moderate-income. Specify the years covered that include this Annual Action Plan.	100%

*Note: The amount for Urgent Need activities may change depending on waivers issued by HUD subsequent to this Action Plan amendment.



APPENDIX A CITIZEN PARTICIPATION



Summary of Public Comments

The City Council held a public hearing on May 19, 2020.

Pending Comments



APPENDIX B

SF-424s, SF-424Ds, Certifications