

- a. Accept public comments and close the public comment period for the Fifth Substantial Amendment to the Monterey Urban County 2019-2020 Community Development Block Grant (CDBG) Annual Action Plan;
- b. Accept public comments and close the public comment period for the First Substantial Amendment to the Monterey Urban County 2023-2024 CDBG Annual Action Plan;
- c. Adopt and authorize the Housing and Community Development Director or their designee to submit the Fifth Substantial Amendment to the 2019-2020 Annual Action Plan and First Substantial Amendment to the 2023-2024 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD);
- d. Authorize the Housing and Community Development Director or their designee to execute an Amended Subrecipient Agreement to increase the entitlement funding for Meals on Wheels of Salinas Valley by \$53,351.47, including making minor changes as necessary, subject to review and approval by County Counsel, to implement the Fifth Substantial Amendment to the 2019-2020 Annual Action Plan; and
- e. Authorize the Housing and Community Development Director or their designee to execute an Amended Subrecipient Agreement to increase the amount of project funding for the City of Gonzales by \$122,911.78, including making minor changes as necessary, subject to review and approval by County Counsel, to implement the First Substantial Amendment to the 2023-2024 Annual Action Plan.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Accept public comments and close the public comment period for the Fifth Substantial Amendment to the Monterey Urban County 2019-2020 Community Development Block Grant (CDBG) Annual Action Plan;
- b. Accept public comments and close the public comment period for the First Substantial Amendment to the Monterey Urban County 2023-2024 CDBG Annual Action Plan;
- c. Adopt and authorize the Housing and Community Development Director or their designee to submit the Fifth Substantial Amendment to the 2019-2020 Annual Action Plan and First Substantial Amendment to the 2023-2024 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD);
- d. Authorize the Housing and Community Development Director or their designee to execute an Amended Subrecipient Agreement to increase the entitlement funding for Meals on Wheels of Salinas Valley by \$53,351.47, including making minor changes as necessary, subject to review and approval by County Counsel, to implement the Fifth Substantial Amendment to the 2019-2020 Annual Action Plan; and
- e. Authorize the Housing and Community Development Director or their designee to execute an Amended Subrecipient Agreement to increase the amount of project funding for the City of Gonzales by \$122,911.78, including making minor changes as necessary, subject to review and approval by County Counsel, to implement the First Substantial Amendment to the 2023-2024 Annual Action Plan.

SUMMARY:

The Board of Supervisors is being asked to accept public comments and close the 30-day public comment period on the Monterey Urban County's Fifth Substantial Amendment to the 2019-2020 Community Development Block Grant (CDBG) Annual Action Plan and First Substantial

Amendment to the 2023-2024 CDBG Annual Action Plan. The Urban County, for purposes of this plan, includes the County of Monterey and the cities of Del Rey Oaks, Gonzales, Greenfield, and Sand City. The recommended actions will increase entitlement funding to Meals on Wheels of Salinas Valley as part of the 2019-2020 Annual Action Plan and close the funding gap for the Gonzales Community Center Project as part of the 2023-2024 Annual Action Plan.

DISCUSSION:

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Act identified additional funding for the CDBG program specifically to allow jurisdictions to prevent, prepare for, and respond to the community impacts of the Coronavirus pandemic (CDBG-CV). HUD allocated a portion of the CDBG-CV funds immediately and allocated additional CDBG-CV funds later in the year.

On May 19, 2020, the County completed the third Substantial Amendment to the FY 2019-2020 Annual Action Plan to allocate the initial CDBG-CV1 funds to various programs. On December 18, 2020, the County completed a Fourth Substantial Amendment to the FY 2019-2020 Annual Action Plan to allocate the additional CDBG-CV3 funds to various activities.

The Urban County has unused CARES Act funds in the amount of \$53,351.47. Meals on Wheels of Salinas Valley is one of the agencies awarded CARES Act funds and continues to utilize the funds to provide services for seniors that meet the program requirements to prevent, prepare for, and respond to Coronavirus. Staff is recommending that Meals on Wheels of Salinas Valley receive \$53,351.47 in unused CARES Act funds to continue to support their monthly congregate meal programs.

On May 9, 2023, the Board of Supervisors approved the 2023-2024 Annual Action Plan for the Urban County. The Annual Action Plan includes funding for the City of Gonzales Community Center Project in the amount of \$347,382. The Community Center Project also received funds in the amount of \$357,475 in the 2022-2023 Annual Action Plan. HUD recently completed a monitoring of the County of Monterey's Urban County CDBG Program and found that the County improperly reimbursed the City of Gonzales in the amount of \$122,911.78 for ineligible work to reroof the City Council Chamber building. HUD required the County have the funds returned, which was completed on November 6, 2023. The County has determined an equitable proposal for addressing HUD's findings while keeping the City of Gonzales's CDBG funding whole is to use the returned funds of \$122,911.78 to increase the CDBG support for the Community Center Project from a total of \$704,857 to \$827,768.78.

The public comment period for both Substantial Amendments opened on November 30, 2023, and ran through January 9, 2024, following publication of the public comment period by the Monterey County Weekly and social media posting. The notice was also posted to the County's website. No public comments had been received regarding the proposed Fifth Substantial Amendment to the 2019-2020 Annual Action Plan or First Substantial Amendment to the 2023-2024 Annual Action Plan as of the time this staff report was prepared.

OTHER AGENCY INVOLVEMENT:

The Board of Supervisors Urban County Committee considered and concurred with the revised funding recommendations. A separate action will be brought forward later to increase appropriations if needed. County Counsel has reviewed the draft Fifth Substantial Amendment to the 2019-2020 Annual Action Plan and First Substantial Amendment to the 2023-2024 Annual Action Plan as to form.

FINANCING:

The recommended actions do not change the current FY 2023-24 appropriations. The recommended actions will have no impact on the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Authorizing the Urban County to adopt the Fifth Substantial Amendment to the 2019-2020 Annual Action Plan will make an additional \$53,351.47 available to support seniors in the unincorporated communities. Authorizing the Urban County to adopt the First Substantial Amendment to the 2023-2024 Annual Action Plan will make an additional \$122,911.78 available to construct the Gonzales Community Center.

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Dawn M Yonemitsu, Management Analyst II, x5387

Reviewed by: Darby Marshall, Redevelopment & Housing Analyst II, x5391

Approved by: Craig Spencer, Interim Director of Housing & Community Development, x5233

The following attachments are on file with the Clerk of the Board:

Attachments:

Attachment A - Draft Fifth Substantial Amendment to the 2019-2020 County of Monterey Annual Action Plan

Attachment B – Draft First Substantial Amendment to the 2023-2024 County of Monterey Annual Action Plan