

City of Fountain Valley
2015-2019 Consolidated Plan Amendment
Public Comment Draft

The following amendment language will be added to the 2015-2019 Consolidated Plan (ConPlan) to allow the city access to emergency funding intended to assist in making a timely response to the impacts of the COVID-19 pandemic. The existing plan may be found at <https://www.fountainvalley.org>.

Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

Introduction

On March 27, 2020 Congress passed the Coronavirus Aid, Relief, and Economic Security Act or the “CARES Act”. The Act identified additional funding for the Community Development Block Grant (CDBG) to support preparation for and response to the community impacts of the COVID-19 pandemic. HUD’s distribution plan for the additional funding included multiple phases that would allow for quick access to funding necessary to address the immediate crisis resulting from the rising pandemic, as well as phases that would support post-pandemic community recovery. This amendment includes planning for both phases.

This amendment to the City of Fountain Valley’s 2015-2020 Consolidated Plan (Consolidated Plan) outlines the City’s funding priorities and strategies to address COVID-19 related impacts, using funds from Community Development Block Grant CARES Act Stimulus (CDBG-CV). The amendment addresses the planning requirements for the additional funds as necessary for the Public Participation, Needs Assessment, Market Analysis, and Strategic Plan sections. The Action Plan component is included in the 2019-2020 Annual Action Plan amendment that is published concurrent with this Con Plan amendment.

Summary of the objectives and outcomes identified in the Plan Needs

Assessment Overview

The priorities for COVID-19 response are to increase economic development opportunities and maintain or improve access to public services. Specific objectives related to each goal are discussed in Sections SP 45 and AP 20. The goals include response to the COVID-19 pandemic, and implementation of CARES Act funds.

Outcomes for the HUD funded programs are tracked by businesses, households and housing units, individual beneficiaries, and neighborhoods or target areas, depending on the type of activity, funding, and applicable national objective.

Citizen Participation

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	City of Fountain Valley	Planning and Building Department

Table 1 – Responsible Agencies

PR-10 Consultation - 91.110, 91.300(b); 91.315(I)

As part of the implementation of the new CARES Act, HUD provided regulatory relief to the CDBG-CV and regular CDBG program in the form of allowing a wavier that reduces the Public Comment period from 30 days to 5 days due to the urgency of getting the CARES Act funding into the community. These waivers may be found at <https://files.hudexchange.info/resources/documents/CARES-Act-Flexibilities-CDBG-Funds-Used-Support-Coronavirus-Response.pdf>. To additionally support the CDBG-CV COVID-19 relief, HUD has waived the public services cap that limited public services to 15 percent of the total award for COVID-19 related services.

The City may also request from HUD additional statutory and regulatory waivers/alternative requirements for CDBG-CV and other CDBG funds when necessary, to expedite or facilitate the use of grant funds to prevent, prepare for, and respond to coronavirus.

PR-15 Citizen Participation - 91.115, 91.300(c)

Summary of citizen participation process/efforts made to broaden citizen participation: Summarize citizen participation process and how it impacted goal setting.

The City's Citizen Participation Plan states, "In case of a local emergency such as a natural disaster or other large scale emergencies, funds may be allocated to eligible activities to assist in disaster relief without triggering a substantial amendment with approval of the Authorized Representative." While this allows the City to move forward without the requirements of a substantial amendment, the City, in an effort to obtain public comments and maintain transparency, made the Con Plan amendment available for public comment.

The public comment period for this Consolidated Plan amendment is five days, as per HUD's waiver, to expedite the CARES Act funding to address the immediate needs facing communities impacted by the COVID-19 Pandemic. The draft 2015-2019 Consolidated Plan Amendment is available for comment from all interested parties from **April 18, 2020**, through **April 23, 2020, at 1 p.m.**

The needs in this chapter were derived from preliminary data from the impacts of COVID-19 which indicate a severe impact to the revenues and services to the community as a whole, and in particular small businesses that are struggling to maintain employees on their payroll as they are impacted by a severe reduction in revenue. Public services have also been impacted by the large number of people who have either had their sources of income drastically reduced or completely lost due to COVID -19. These are key programmatic needs that have been identified in the CARES Act.

Submitting Public Comment

Please submit comments to Ashlyn.Newman@FountainValley.org or mail them to:

City of Fountain Valley-HCD
10200 Slater Avenue
Fountain Valley, CA
92708

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The needs previously identified in this Consolidated Plan focused on housing, non-housing community needs, homelessness prevention and response, public services, and public facilities and infrastructure. The COVID-19 pandemic has exacerbated existing needs in our communities and have added the additional need of economic assistance due to many people and businesses losing income and/or revenue due to the governmental restrictions imposed in the fight against COVID. The existing needs must be reprioritized in an effort to best meet the needs of the affected community.

The ongoing shut-down of businesses has resulted in record unemployment, which severely impacts areas with a higher cost of living where many households are living paycheck to paycheck, regardless of their income levels. Small businesses have been especially impacted as many do not have the working capital to weather months of reduced services or mandated shut-down while maintaining payrolls and employment benefits. The need for business support is increasing as the shut-down continues.

NA-10 Housing Needs Assessment – 91.205 (a,b,c)

The potential housing crisis brought on from the COVID-19 pandemic has not yet been felt significantly in Fountain Valley mainly due to the protections on non-payment of rent and mortgages put in place by the State of California. Once the restrictions are lifted, it is possible that some households may owe a lump sum payment from the monthly costs that were deferred, which would be impossible to pay because of their lack of income during the crisis. Many people may actually feel the effects that COVID had on the economy and their income once restriction are lifted.

As previously addressed in the Con Plan the groups of people most susceptible to housing issues continue to be disabled persons, low-income wage earners, victims of domestic violence, large families, single parent households, elderly persons, homeless and other vulnerable groups. Now, due to COVID, anyone that relies on a paycheck to maintain their housing, may be dramatically affected by the pandemic and begin to have housing issues or insecurity.

NA-40 Homeless Needs Assessment – 91.205(c)

Homelessness response and homelessness prevention has always been a priority throughout the county and the city continues to support Orange County Housing Authority and the Orange County Continuum of Care who is the lead agency in the county addressing homelessness. Many households have been unable to pay rent since the shut-down and shelter-in-place orders were issued in early March 2020. While there are moratoriums on evictions, housing costs are still a major concern, particularly for lower-income households who may be at risk of homelessness once the moratorium is lifted. Persons already experiencing homelessness are also at increased risk of infection and death due to COVID-19. Congregate shelters are not a viable housing solution in a pandemic, and persons experiencing homelessness need access to safe shelter to prevent infection and spread of the disease.

NA-50 Non-Housing Community Development Needs – 91.215(f)

As a result of shortages in some areas, combined with loss of income for many households, there has been substantial increase in demand for assistance through public services, especially food banks, meal delivery services, and healthcare-related services. The rapid increase in demand has left many service providers under-staffed and under-resourced and has added substantial cost. The increased demand is expected to be sustained beyond the shut-down as households will take time to regain employment and economic stability.

MA-05 Housing Market Analysis 91.210

Overview

Discussion

The City of Fountain Valley is primarily a suburban residential community of mainly 3, 4 and 5 bedroom single family homes. The number of households within the city has remained relatively flat rate at approximately 18,500, due to the small amount of vacant or underutilized land in the city in which to develop more housing projects. While a few units in the City qualify as being in need of substantial rehabilitation, many units located within older tracts are showing a need for minor to moderate rehabilitation.

The median home cost in Fountain Valley has risen to \$822,000 and at this point does not appear to be affected by COVID-19. Logically, due to social-distancing and the reluctance of homeowners to allow unknown potential buyers into their homes, the volume of houses for sale, and that are purchased, should slow down which will have an unknown effect on home values. It is unlikely the cost of rents will be effected by COVID-19 as households that are unable to pay are protected by the governor's moratorium.

The City is open to and supportive of affordable housing projects in the city. Currently there is one 50-unit low-income apartment complex proposed and is scheduled to be ready to lease it 2012 or 2022.

Strategic Plan

SP-05 Overview

The City intends to use the CARES Act funding to assist residents and business owners that have been adversely affected by COVID-19 and the ensuing governmental mandates put into effect to stop the spread of the disease.

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Sort Order 13	Name Promote Economic Development and LMI Job Retention (CARES Act)	Priority Level High
Description: The City will promote economic development and LMI job retention by providing programs that provide financial assistance to business during the COVID-19 health crisis.		
Target Areas Affected	Population Income Level: Extremely Low, Low, Moderate Non-Housing Community Development	Associated Goals Economic development and employment opportunities
Describe the basis for the relative priority: Economic development and LMI job retention is a critical need as COVID-19 is sweeps the nation. The City will promote, and fund when possible, programs that stimulate business operation, and retain or create jobs for low- and moderate-income employees.		

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c) (1,2)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation	Program Income	Prior Year Resources	Total		
CDBG-CV	Public Federal	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	\$211,789			\$211,789	0	One time award of funds – March 2020

SP-45 Goals Summary – 91.315(a)(4)

Sort Order	Goal Name	Start Year	End Year	Category	Needs Addressed	Estimated Funding	Goal Outcome Indicator	Total
13	Increase economic development opportunities	2020	2020	Non-Housing Community Development	Economic Development Opportunities	CDBG-CV – \$211,789	Jobs created/retained (Jobs)	TBD
							Businesses Assisted (Businesses Assisted)	TBD

SP-60 Homelessness Strategy – 91.315(d)

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The City of Fountain Valley hopes to help low-income individuals by providing grant funds to small business to assist with payroll costs to maintain low and moderate income workers on their payroll during the COVID crisis. By maintaining the wages of low and moderate-income workers it should ensure that they are able to avoid becoming homeless.

The City also continues to support the Orange County Continuum of Care in their efforts to assist the homeless.

Annual Action Plan

The 2019-2020 Annual Action Plan Substantial Amendment, available for concurrent public comment, includes the specific planning requirements for the CARES Act funds, including the method of distribution