

# City of Fountain Valley



## Fiscal Year 2021-22 Action Plan Amendment

### Mortgage Assistance Grant

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## **Executive Summary**

November 3, 2021 Amendment

### **Background**

On March 27, 2020, in response to the nationwide COVID-19 emergency, the Federal government enacted the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), making additional CDBG funds (CDBG-CV) available to municipalities for COVID-19 response. The City received \$616,544 in supplemental CDBG-CV funding of which approximately \$55,000 remains. The CARES Act also authorized HUD to issue emergency waivers that removed the 15% public services cap on grantee's allocations for any activities that "prevent, prepare for, and respond to coronavirus". The waivers are applicable to the CDBG-CV grant and fiscal years 2019-20 and 2020-21 annual formula CDBG grants.

A priority goal identified in the Action Plan is to provide programs and activities to prevent, prepare for and respond to COVID-19. To that end, this amendment establishes the Mortgage Assistance Grant (MAG) that will provide financial assistance to low-income, owner-occupied homeowners, who are in arrears on their mortgage payments. The \$100,000 budget for the UAG will be funded using a combination of the remaining CDBG-CV funds supplemented by remaining FY 2019-20 funds.

## Process

- Amendment reviewed at the Housing and Community Development Advisory Board (HCDAB) meeting on November 3, 2021
- HCDAB forwarded a recommendation of approval to City Council
- Public Notice published in the Orange County Register- Fountain Valley View on October 28, 2021 advertising the availability of the amendment for public comment between October 28 and November 12, 2021 and advised the MAG amendment is on the Agenda for the HCDAB meeting on November 3, 2021 and City Council meeting on November 16, 2021
- City Council reviewed and approved the amendment at their November 16, 2021 meeting (TBD)

Although not required by the City's Citizen Participation Plan, the City of Fountain Valley provided a comment period to receive public comment on the amendment and provided information to the public on how to submit comments. The draft amendment was also posted on the City's website for review and comment. No public comments were received (TBD)

## Expected Resources – 91.220(c)(1,2)

### Introduction

The City received \$616,544 in CARES Act CDBG-CV funding and currently has approximately \$55,000 remaining. Unused funds from FY 19-20 will also be used for a total budget of \$100,000.

### Anticipated Resources

Program	Source of Funds	Use of Funds	CARES Act Allocation	Narrative Description
CDBG-CV-3	Public-Federal	<ul style="list-style-type: none"> <li>Public Services</li> </ul>	\$55,000	Activities to prevent, prepare for, and respond to COVID-19. Utility Assistance Grant.
CDBG (FY19-20)	Public-Federal	<ul style="list-style-type: none"> <li>Public Services</li> </ul>	\$45,000	Activities to prevent, prepare for, and respond to COVID-19. Utility Assistance Grant.

Table 2 - Expected Resources

### Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Homeowners are able to leverage the grant funding provided by the City of Fountain Valley by collaborating with County, State, and Federal agencies to identify other available resources authorized through the CARES Act or their lenders that can be leveraged to maximize the impact of the CDBG-CV resources.

## Annual Goals and Objectives – 91.220(c)(3)

To allocate the CDBG-CV-3 funds the City will amend the funding for the following goals.

### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
10	COVID-19 Response	2020	2021	Non-Housing Community Development Services LMI	Citywide	COVID-19 Impact, Utility Assistance Grant	CDBG: \$45,000 CDBG-CV: \$55,000	65

## Projects – 91.220(d)

### Introduction

This amendment will add additional funding to project #12 to support the new Utility Assistance Grant.

### Projects

#	Project Name
12	COVID-19 Response

### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Amendment to add additional \$100,000 to Project 12 for Mortgage Assistance Grant Program

### Project Summary Information

12	<b>Project Name</b>	COVID-19 Response
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID-19 Response
	<b>Needs Addressed</b>	COVID-19 Impact
	<b>Funding</b>	CDBG: \$100,000
	<b>Description</b>	Addition of Mortgage Assistance Grant for eligible LMI households that own and occupy their homes
	<b>Target Date</b>	6/30/2021