



Legislation Details (With Text)

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Title: Actions pertaining to the CARES Act Community Development Block Grant (CDBG-CV) funding from the United States Department of Housing and Urban Development (HUD):
1. ***RESOLUTION - Adopting and approving submission of Substantial Amendment 2019-07 to the 2019-2020 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) to reprogram \$850,000 in CARES Act Community Development Block Grant (CDBG-CV) funds to prevent, prepare for, and respond to the Coronavirus (COVID-19) (Subject to Mayor's Veto)
2. Approve an agreement between the City of Fresno and the Fresno Housing Authority in the amount of \$850,000 for the operations of the Step Up on 99 emergency shelter.

Sponsors: Planning and Development Department

Indexes:

Code sections:

Attachments: 1. Resolution, 2. Agreement with Fresno Housing Authority, 3. 2019-2020 Annual Action Plan Substantial Amendment 2020-07

Date	Ver.	Action By	Action	Result
4/28/2022	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

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BY: Erika Lopez, Senior Management Analyst,
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SUBJECT

Actions pertaining to the CARES Act Community Development Block Grant (CDBG-CV) funding from the United States Department of Housing and Urban Development (HUD):

1. ***RESOLUTION - Adopting and approving submission of Substantial Amendment 2019-07 to the 2019-2020 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) to reprogram \$850,000 in CARES Act Community Development Block Grant (CDBG-CV) funds to prevent, prepare for, and respond to the Coronavirus (COVID-19) (Subject to Mayor's Veto)
2. Approve an agreement between the City of Fresno and the Fresno Housing Authority in the amount of \$850,000 for the operations of the Step Up on 99 emergency shelter.

RECOMMENDATION

Staff recommends the City Council adopt Substantial Amendment 2019-07 to the 2019-2020 Annual Action Plan and approve an agreement between the City of Fresno (City) and the Fresno Housing Authority (FHA) for the operations of the Step Up on 99 emergency shelter formerly known as Motel 99 in the amount of \$850,000 in CDBG-CV funds.

EXECUTIVE SUMMARY

The City Council previously approved allocations for CDBG-CV funds to FHA for shelter operations at Project Homekey sites, including the Sun Lodge emergency shelter. FHA will be converting Sun Lodge to permanent affordable housing and has requested that the CDBG-CV funds previously allocated for Sun Lodge be redirected to the operations of the Step Up on 99 emergency shelter. The agreement would provide FHA \$850,000 in CDBG-CV for emergency shelter operations at Step Up on 99 for the term of January 1, 2022, through December 31, 2024.

BACKGROUND

On October 29, 2020, City Council approved a Memorandum of Understanding between the City and the FHA to allow for the expenditure of up to \$6,842,138 over a period of up to five years for operational and support services to prevent COVID-19 among residents temporarily sheltered in four motels to be acquired by the FHA through the State of California's Homekey Program. The motel locations include Welcome Inn, Days Inn, Parkside Inn, and Motel 99.

On February 18, 2021, City Council approved Substantial Amendment 2019-06 to the 2019-2020 Annual Action Plan allocating CDBG-CV funds for emergency shelter operations and supportive services at FHA locations operated as emergency shelters including Days Inn and Welcome Inn. In February 2022, the FHA informed the City that they had secured funding for the conversion of the Sun Lodge Emergency Shelter (formerly known as Days Inn) to permanent housing. The Fresno Housing Authority requested to redirect CDBG-CV funding that would have been used for the emergency shelter operations of Sun Lodge to the operations of the Step Up on 99 Emergency Shelter.

The Step Up on 99 emergency shelter specializes in providing shelter to families. With its primary focus to provide shelter and supportive services to family units. The shelter will provide 99 rooms for emergency shelter. The CDBG-CV agreement totals \$850,000 for January 1, 2022, through December 31, 2024.

In order to reprogram the funds from Sun Lodge to Step Up on 99, a substantial amendment is required. On April 1, 2022, the City published Substantial Amendment 2019-07 to the 2019-2020 Annual Action Plan for the required five-day public comment period.

Citizen Participation

- April 6, 2022 - Public Notice published in the Fresno Bee
- April 6, 2022 - Information published on social media
- April 6, 2022 - Draft Substantial Amendment published - minimum 5-day public review period

commences

- April 12, 2022 - Public Review Period closes
- April 28, 2022 - City Council consideration of the Substantial Amendment

The City received zero public comments during the public comment period.

ENVIRONMENTAL FINDINGS

This is not a project for purposes of CEQA pursuant to CEQA guidelines Section 15378. These plans, strategies and studies are Categorical Excluded Not Subject to Section 58.5 Pursuant to 24 CFR Part 58.34(a) and 58.35(b) under HUD NEPA Requirements (24 CFR 58.35 (b) (2) (3)).

LOCAL PREFERENCE

Local preference is not applicable because of the use of federal funding.

FISCAL IMPACT

The agreement will be funded through the City's CDBG-CV allocations.

ATTACHMENTS:

Resolution
Agreement with Fresno Housing Authority
2019-2020 Annual Action Plan Substantial Amendment 2020-07