

# Substantial Amendment

## Substantial Amendment to Consolidated Plan 2015-2019 and Annual Action Plan for Program Year 2019

### 1. Introduction

This is an amendment to the 2015-2019 Consolidated Plan for the City of Santa Barbara and its 2019-2020 Annual Action Plan to enable the City to receive and administer \$1,563,017 in Community Development Block Grant (CDBG-CV) funding from the U.S. Department of Housing and Urban Development (HUD) made available through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

The purpose of this CDBG-CV funding is to prevent the spread of coronavirus 19 (COVID-19) and facilitate assistance to eligible communities, households, and persons economically impacted by COVID-19. The City first amended this Consolidated Plan and Action Plan in June 2020 in order to utilize the first round of CDBG-CV allocations made available by HUD in the amount of \$530,774. This substantial amendment adds an additional \$1,032,243 made available by HUD, for a total of \$1,563,017 in CDBG-CV funds to the City of Santa Barbara.

With respect to a declared disaster, the City may elect to use its current entitlement allocations of CDBG and/or HOME Investment Partnership Program (HOME) funds to address needs not provided for by the Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA), or other disaster relief efforts. Funding for disaster relief may not duplicate other efforts undertaken by federal or local sources unless allowed by the federal government.

Potential eligible uses of funds are those that are included in this Amendment, or any other CDBG or HOME eligible use. HUD may provide new guidance on eligible uses in which the City will comply with and may utilize as well.

All eligible CDBG activities, including those to address declared disasters or emergencies, must meet one of three national objectives, which are: (1) Benefit to low- and moderate-income (LMI) persons; (2) Aid in the prevention of slums or blight; and (3) Meet a need having a particular urgency. The City of Santa Barbara may carryout eligible CDBG activities to meet needs resulting from declared disasters or emergencies under any one of the three national objectives.

**Summary of citizen participation process and consultation process**

The Substantial Amendment will be made available for public review on the City Website for 5-days from October 19 through October 24, 2020, in accordance with the City’s Citizen Participation Plan policies for Amendments during disaster/emergency events. A public notice will be published announcing the availability of the document. A Council meeting will be held October 27, 2020 to adopt the substantial amendment.

**AP-15 Expected Resources - 91.220(c)(1,2)**

The Expected Resources table has been updated to include new CDBG-CV funding made available to the City as part of the CARES Act. In addition, the City may reprogram some of its FY 2019-2020 funding and use some of its FY 2020-2021 funds, and any future CDBG or HOME allocations to respond to the COVID-19 pandemic as allowed by federal regulations.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 5				Expected Available Remainder of ConPlan	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	902,715	320,000	400,617	1,623,332	0	Entitlement funds allocation plus estimated program income plus prior-year resources.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	498,104	49,000	1,117	548,221	0	Entitlement allocation plus estimated program income, plus prior year resources.
CDBG-CV	public - federal	Prevent, prepare for and respond to the coronavirus	\$1,563,017	0	0	\$1,563,017	0	Entitlement funds made available from CARES Act.

## **AP-35 Projects – 91.220(d)**

### **Responding to the COVID-19 Pandemic**

Potential eligible CDBG Activities that may be undertaken to support the COVID-19 response include, but are not limited to:

- Building and Improvements, including Public Facilities such as constructing a testing, diagnosis, or treatment facility; rehabilitation of a community facility to establish an infectious-disease treatment clinic; acquisition and rehabilitation, or construction of a group living facility that may be used to centralize patients undergoing treatment; rehabilitation of a commercial building or closed school building to establish an infectious disease treatment clinic, e.g. by replacing the HVAC system; acquisition and rehabilitation of a motel or hotel building to expand the capacity of hospitals to accommodate isolation of patients during recovery; or to make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis;
- Assistance to Businesses, including Special Economic Development Activities, such as providing grants or loans to support new business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease; avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons; or to provide technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine;
- Public Services such as job training to expand the pool of health care workers and technicians that are available to treat a disease within a community; provide testing, diagnosis or other services at a fixed or mobile location; increase the capacity and availability of targeted health services for infectious disease response within existing facilities; provide equipment, supplies, and materials necessary to carry out a public service; deliver meals on wheels to quarantined individuals that need to maintain social distancing due to medical vulnerabilities; up to 6-months emergency grant payments of rent or utilities to low- mod-income persons who lost jobs due to COVID-19 related closures;
- Planning, Program Administrative Costs, Capacity Building, and Technical Assistance such as gathering data and developing non-project specific emergency infectious disease response plans; and
- Any other activity allowed under current CDBG regulations.

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