

**ITEM: PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER THE CDBG-CV3 FUNDING ALLOCATION FOR A THIRD ROUND OF EMERGENCY GENERAL ASSISTANCE GRANTS FOR QUALIFIED LATHROP RESIDENTS**

**RECOMMENDATION: Council to Consider the Following:**

- 1. Hold a Public Hearing; and**
- 2. Adopt a Resolution to Accept the CDBG-CV3 Funding and Allocate a Third Round of Emergency General Assistance Grants, Multi-County Agency Funding Requests, City Reimbursement for Program Administration, and Authorize Budget Amendment**

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**SUMMARY:**

The Federal Coronavirus Aid Relief and Economic Security Act (CARES Act) provided phased funding to the Department of Housing and Urban Development (HUD) for use in addressing community issues related to COVID-19 through the Community Development Block Grant program (CDBG-CV). This third allocation of phased funding provided by the CARES Act is referred to as CDBG-CV3. The City of Lathrop's allocation of CDBG-CV3 funding is \$61,610.

On May 11, 2020, the Lathrop City Council authorized the creation of an Emergency General Assistance (EGA) grant program to aid qualified low-income residents financially impacted by COVID-19 and authorized use of \$56,346 from the first phase of CARES Act funding and \$35,721 from the undesignated portion of FY 2020-2021 CDBG allocation as the funding source for the program.

Since inception, the EGA program has been managed and monitored by City staff in accordance with HUD's national objectives along with regulatory guidance from San Joaquin County's Community Development Block Grant administrators. To date, thirty-one households in Lathrop have been assisted with past due mortgage or rent payments and/or essential utilities in a general effort to prevent homelessness and utility shut-offs. The EGA program is scheduled to end when all designated funds have been exhausted. As of this date, the program's remaining balance is \$9,902.55 and applications are still be accepted and processed.

The City's allocation for the CDBG-CV3 program funding will be \$61,610. Two multi-county agencies have submitted funding requests for a total of \$8,022.70 to serve Lathrop residents. These two agencies are San Joaquin Fair Housing and Emergency Food Bank.

**DECEMBER 14, 2020 CITY COUNCIL REGULAR MEETING  
PUBLIC HEARING TO CONSIDER THE CDBG-CV3 FUNDING ALLOCATION FOR  
A THIRD ROUND OF EMERGENCY GENERAL ASSISTANCE GRANTS FOR  
QUALIFIED LATHROP RESIDENTS**

Staff recommends that City Council hold a Public Hearing, consider the information given in this report, adopt the proposed resolution, and authorize the respective budget adjustment.

**BACKGROUND:**

The Federal Coronavirus Aid Relief and Economic Security Act (CARES Act), enacted into public law on March 27, 2020, provided \$5 billion in supplemental CDBG-CV funding for grants to prevent, prepare for, and respond to the impacts of Coronavirus around the nation. In addition, the CARES Act provided alternative requirements and grant waivers to make it easier to use CDBG-CV funds. It further allowed agencies to use any undesignated funds from CDBG fiscal years 2019/2020 and 2020/2021 for coronavirus response program(s).

On May 11, 2020, the Lathrop City Council authorized the creation of an Emergency General Assistance grant program to aid qualified low-income residents financially impacted by COVID-19. The following CDBG language in Federal Statute allows for the creation of such a program:

**Subsistence Payments** 24 CFR 570.207(b)(4) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)

*"One-time or short-term (no more than three months\*) emergency payments on behalf of individuals or families, generally for the purpose of preventing homelessness. Examples include utility payments to prevent cutoff of service, and rent/mortgage payments to prevent eviction."*

\*CDBG-CV3 allows for no more than six months

Council allocated the use of \$56,346 from the first phase of CDBG-CV funding and \$35,721 from the undesignated portion of FY 2020-2021 CDBG allocation as the funding source for the program. The initial round of EGA funding from CDBG-CV allowed payment of eligible expenses for qualified applicants back to March 27, 2020. The second round of EGA funding (EGA2), funded by the FY 2020-2021 CDBG allocation, allowed payment of eligible expenses for qualified applicants from July 1, 2020 forward.

The EGA program requires the applicant to provide a completed application, proof of income or lack of income, financial hardship due to COVID, and notices of past due rent or mortgage and/or utilities during the stated timeframe. Awarded funds are submitted directly to the landlord or mortgage lender, and/or utility company(ies) on behalf of the grant recipient. Priority payout of past due City utility bills is given prior to release of funds for other bills submitted by grant recipient. The program is available on a one-time basis to individuals or families residing within the city limits

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of Lathrop. The maximum award of \$3,200 per household is paid on a first-come, first serve basis until all designated funds have been exhausted.

HUD announced the third phase of funding from the CARES Act for the CDBG-CV3 programming the first part of October 2020. CDBG-CV3 funds may be used for CDBG eligible activities that are COVID related. However, HUD is recommending that the funds be prioritized for rental and mortgage assistance through programs such as Lathrop's Emergency General Assistance grant.

Because COVID-19 has extended throughout the majority of the year and there is a need to assist residents in the community with payment of past-due rent, mortgage payments and/or essential utilities, staff recommends allocation of funding toward a third round of Emergency General Assistance grants to be issued under the original guidelines for distribution, eligibility and documentation requirements.

The City of Lathrop, through an Urban Cooperative Agreement with San Joaquin County, will receive an allocation from CDBG-CV3 for \$61,610. CDBG-CV3 allows payment of eligible expenditures back to March 27, 2020, which may be offered through a third round of EGA grants. The County has also advised that San Joaquin Fair Housing has submitted a request for \$236.70, and the Emergency Food Bank has submitted a request for \$7,786 to serve Lathrop residents, which leaves \$52,587.30 available for the EGA grant program. In addition, the City may recoup up to 20% of the allocation for costs associated with administering the program.

**RECOMMENDATION:**

Staff recommends that City Council consider the information presented and adopt the Resolution to accept the CDBG-CV3 funding and allocate a third round of Emergency General Assistance Grants, Multi-County Agency funding requests, City reimbursement for program administration, and authorize respective budget amendment.

**FISCAL IMPACT:**

Staff time to review and verify eligibility of applicants, dispense financial subsidies, report, present, monitor and manage the CDBG-CV3 Emergency General Assistance Grant Program.

The County's disbursement process requires the City to set up a separate account(s) to accommodate the CDBG-CV reimbursement program. Because of the emergent situation surrounding COVID-19 and to move the money quickly for the benefit of the grant recipient, an increase in revenues in the amount equal to the total CDBG-CV allocation will be required.

Staff is requesting the following budget amendments:

**CITY MANAGER'S REPORT**  
**DECEMBER 14, 2020 CITY COUNCIL REGULAR MEETING**  
**PUBLIC HEARING TO CONSIDER THE CDBG-CV3 FUNDING ALLOCATION FOR**  
**A THIRD ROUND OF EMERGENCY GENERAL ASSISTANCE GRANTS FOR**  
**QUALIFIED LATHROP RESIDENTS**

CARES ACT CDBG-CV:

Increase CDBG Revenues

2650-20-10-333-01-04


\$52,588

**ATTACHMENTS:**


- A. Resolution to Accept the CDBG-CV3 Funding and Allocate a Third Round of Emergency General Assistance Grants, Multi-County Agency Funding Requests, City Reimbursement for Program Administration, and Authorize Budget Amendment
- B. CDBG-CV3 Emergency General Assistance Grant Program income guidelines, eligibility, and application.

**CITY MANAGER'S REPORT**  
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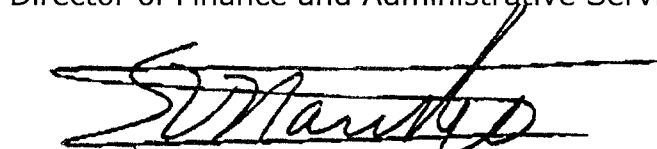
**APPROVALS:**

  
\_\_\_\_\_  
Shelley Burchan  
Economic Development Administrator


12-01-2020  
Date

  
\_\_\_\_\_  
Carl James  
Director of Finance and Administrative Services

12/1/2020  
Date

  
\_\_\_\_\_  
Salvador Navarrete  
City Attorney

11/24/2020  
Date

  
\_\_\_\_\_  
Stephen J. Salvatore  
City Manager

12-7-2020  
Date

**RESOLUTION NO. 20-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP TO ACCEPT THE CDBG-CV3 FUNDING AND ALLOCATE A THIRD ROUND OF EMERGENCY GENERAL ASSISTANCE GRANTS, MULTI-COUNTY AGENCY FUNDING REQUESTS, CITY REIMBURSEMENT FOR PROGRAM ADMINISTRATION, AND AUTHORIZE BUDGET AMENDMENT**

**WHEREAS**, in March 2020, the Federal Coronavirus Aid Relief and Economic Securities Act (CARES Act) was enacted into public law, provided \$5 billion in supplemental Community Development Block Grant (CDBG) funding for grants to prevent, prepare for, and respond to the impacts of the Coronavirus (CDBG-CV) around the nation. It further allowed agencies to use any undesignated funds from CDBG fiscal years 2019/2020 and 2020/2021 for Coronavirus response programs; and

**WHEREAS**, on May 11 2020, City Council approved the creation of an Emergency General Assistance (EGA) grant program to assist eligible residents financially impacted by Coronavirus with past due rent/mortgage and/or essential utility payments in an effort to avoid homelessness and prevent utility shutoffs; and

**WHEREAS**, City Council authorized the allocation of \$56,346, the first phase of CDBG-CV funding from the United States Department of Housing and Urban Development (HUD) as designated by the CARES Act, as a funding source for the EGA grant program; and

**WHEREAS**, City Council authorized the allocation of \$35,721, the second phase of CDBG-CV funding, from the undesignated portion of CDBG FY2020/2021 as a funding source for EGA grant program; and

**WHEREAS**, the City is prepared to receive an allocation of \$61,610 for the third phase of Community Development Block Grant Coronavirus relief funding (CDBG-CV3) from HUD, as designated by the CARES Act; and

**WHEREAS**, the City also participates in an Urban County Cooperative Agreement and allocates CDBG funding toward other multi-county agencies that apply directly with San Joaquin County; and

**WHEREAS**, two other multi-county agencies which serve Lathrop residents have also submitted CDBG-CV3 funding requests in the amount of \$8,022.70; \$236 to San Joaquin Fair Housing and \$7,786 to Emergency Stockton Food bank, which would reduce the CDBG-CV3 funding available for the EGA grant program to \$52,587.30; and

**WHEREAS**, the City has properly published a Public Hearing Notice 10 days prior to the meeting in accordance with HUD regulations; and

**WHEREAS**, the City Council has determined in accordance with the California Environmental Quality Act, Article 18, Section 15273, that this item is categorically exempt because CEQA does not apply to the establishment or modification of HUD funding programs to public agencies with are to meet community needs.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Lathrop does hereby accept CDBG-CV3 funding and authorizes an allocation as follows:

Organization/Program	Allocations
Emergency General Assistance Grant Program	\$40,265.30
San Joaquin Fair Housing	\$236.70
Emergency Stockton Food Bank	\$7,786.00
City Reimbursement for Program Administration Costs	\$12,322.00
Total Allocation	<u>\$61,610.00</u>

**BE IT FURTHER RESOLVED** that the City Council of the City of Lathrop does hereby approve a budget amendment for FY 2020-2021 as follows:

CARES ACT CDBG-CV3:

<u>Increase CDBG Revenues</u>	
2650-20-10-333-01-04	\$52,588

**PASSED AND ADOPTED** this 14th day of December 2020, by the following vote:

AYES:

NOES:

ABSENT:

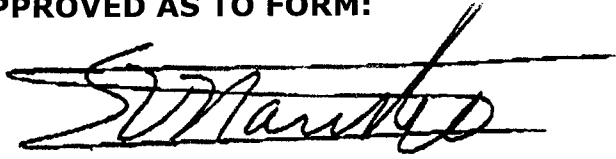
ABSTAIN:

\_\_\_\_\_  
SONNY DHALIWAL, MAYOR

**ATTEST:**

\_\_\_\_\_  
Teresa Vargas, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Salvador Navarrete, City Attorney



EMAIL COMPLETED APPLICATION AND REQUESTED DOCUMENTS TO WEBSITE\_EDD@CI.LATHROP.CA.US

City of Lathrop  
Community Development Block Grant – CV (ROUND 3)  
**Emergency General Assistance Grant Program Application for Funding**  
**Program Guidelines and Eligibility**

**Grant Amount Available:** Up to \$3,200 per eligible household  
**Funds Available to Pay:** Past due rent and utilities from March 27, 2020 forward  
**\*\*\*\*\*ONLY ONE GRANT AVAILABLE PER HOUSEHOLD\*\*\*\*\***

**Eligibility:**

The City of Lathrop's General Assistance Grant Program is available to all households that meet **ALL** of the following criteria:

- Primary residence within the City limits of Lathrop
- Household Income impacted by COVID-19 (Lost job, laid-off, company closed, afflicted by or caring for someone with the Coronavirus.)
- Unable to pay past-due rent, mortgage, and/or essential utilities incurred on or after March 27, 2020
- Meet the income limits as summarized below

FY 2020 Income Limits Summary for Stockton-Lodi MSA									
	FY 2020 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Median Income (Family of 4)	Very Low (50%) Income Limits (\$)	\$26,250	\$30,000	\$33,750	<b>\$37,500</b>	\$40,500	\$43,500	\$46,500	\$49,500
	Extremely Low-Income Limits (\$)	\$15,750	\$18,000	\$21,720	<b>\$26,200</b>	\$30,680	\$35,160	\$39,640	\$44,120
	Low (80%) Income Limits(\$)	\$42,000	\$48,000	\$54,000	<b>\$60,000</b>	\$64,800	\$69,600	\$74,400	\$79,200
<b>\$75,000</b>									

Source: HUD User Income Limits Documentation System  
Note: San Joaquin County is part of the Stockton-Lodi MSA, so all information presented here applies to all of the Stockton-Lodi, CA MSA.

**To Apply:**

- Email completed application and **ALL** required documentation to **WEBSITE\_EDD@CI.LATHROP.CA.US**
- Applications accepted up to March 31, 2021, while grant funds are available.
- Grant awards will be allocated on a first-come, first-serve basis until all designated funds are exhausted.
- Only complete applications with all necessary documentation submitted will be accepted.

**Required:**

- Proof of impact on household income from COVID-19, i.e.: medical documents, job loss, company closure, etc.
- Proof of income, i.e.: check stubs, EDD Benefit Award statements, disability statements, social security statements, or other proof of income payment(s)
- Copies of rent or mortgage due and/or late notices for utility payments to be paid for by this grant. Expenditures must be associated with the primary residence of applicant. Late notices or fees incurred prior to March 27, 2020 are ineligible.
- Past-due City utility payment(s) incurred on or after 3/27/20 will be deducted from the grant prior to paying other bills.
- Payments made by this grant will be mailed directly to debtor on behalf of Grantee.
- Completed W-9 by Landlord for rent payments.

City of Lathrop  
 Community Development Block Grant – CV (ROUND 3)

**Emergency General Assistance Grant Program Application for Funding**

APPLICATION			
<b>Name:</b>			
<b>Address:</b>			
<b>Phone:</b>		<b>Email:</b>	
<b>How many people live in your household?</b>			
<b>Current/Past Employer Name and Address</b>			
<b>Are you working?</b>	Yes No	<b>If no, what was the date of the last day you worked?</b>	
<b>Total Household Income:</b> (Please include income from all persons living in home of applicant.)			\$
<b>Are you or anyone in your household collecting unemployment or other social assistance? If so, how much?</b> (Please attach copies of check stubs, statements or payment.) Yes No			
<b>Payer/Company/Agency</b>	<b>Who in your household receives this income?</b>	<b>Amount per Month (\$)</b>	
<b>Please list all other income for all residents living in the household in the space below.</b> (Please attach copies of check stub, statements or payment.)			
<b>Payer/Company/Agency</b>	<b>Who in your household receives this income?</b>	<b>Amount per Month (\$)</b>	

City of Lathrop  
Community Development Block Grant – CV (ROUND 3)

**Emergency General Assistance Grant Program Application for Funding**

Please list all past due rent, mortgage payments, and/or utility payments dated after March 27, 2020 for which you wish to pay from this grant? (Please provide copies of all rent due or past due utility bills you desire to be paid for by the General Assistance Grant.)

	City of Lathrop Water/Sewer	Landlord/Mortgage	Utility Company	Utility Company
Company Name				
Address				
Phone				
Total Amount Incurred after March 27, 2020	\$	\$	\$	\$
Account #				
Statement Attached				

**Demographic Information**

Please provide general demographic information for all persons within your household who will benefit from this grant.

Number of: Male \_\_\_\_\_ Female \_\_\_\_\_

Indicate the number of people in your household that qualify for one of the following categories:

Handicapped \_\_\_\_\_ Female Head of Household \_\_\_\_\_ Senior Citizen \_\_\_\_\_ Veteran \_\_\_\_\_ N/A \_\_\_\_\_

Race/Ethnicity. Place a check mark by the race/ethnicity closest to which the applicant identifies. If of Hispanic origin, also place an (x) in the Hispanic box next to the race/ethnicity box for which the applicant identifies.

Race/Ethnicity	(Choose One)	Hispanic
American Indian or Alaska Native		
Asian		
Asian and White		
American Indian/Alaskan Native		
American Indian/Alaska Native and White		
American Indian/Alaska Native and Black/African American		
Black/African American		
Black/African American and White		
Native Hawaiian/Other Pacific Islander		
White		
Other Multi Racial		

I hereby certify that I have read this application, completed it to the best of my knowledge, provided the required documentation, and that the statement(s) therein are true.

**AUTHORIZED SIGNATURE**

Signature	Print Name	Date

**TRANSMITTAL**

**ATTN: LEGAL PUBLICATIONS**

PLEASE PUBLISH: **No later than Thursday, December 3, 2020**

PLEASE EMAIL CONFIRMATION TO: Email to [tvargas@ci.lathrop.ca.us](mailto:tvargas@ci.lathrop.ca.us)

**CITY OF LATHROP – PUBLIC HEARING NOTICE**

Notice is hereby given that the City of Lathrop City Council will hold a Regular Meeting in the City Council Chambers at 290 Towne Centre Drive, Lathrop, California, at **7:00 p.m., Monday, December 14, 2020**, for a public hearing regarding the following matter. All persons having an interest in this matter are invited to be present to testify in person, or to submit statements in person at the meeting or in writing prior to the hearing.

**PUBLIC HEARING (PUBLISHED NOTICE) TO CONSIDER THE CDBG-CV3 FUNDING ALLOCATION FOR A THIRD ROUND OF EMERGENCY GENERAL ASSISTANCE GRANTS FOR QUALIFIED LATHROP RESIDENTS**

The City Council to Consider the Following:

1. Hold a Public Hearing; and
2. Adopt a Resolution to accept the CDBG-CV3 Funding and Allocate a Third Round of Emergency General Assistance Grants, Multi-County Agency Funding Requests, City Reimbursement for Program Administration, and Authorize Respective Budget Amendment.

If you challenge any decision of the City Council in court, you may be limited to raising only those issues you or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please call (209) 941-7230. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility.

For more information, contact the Economic Development Division at 390 Towne Centre Drive, Lathrop, CA 95330, by phone at (209) 941-7221, or by email at [econdev@ci.lathrop.ca.us](mailto:econdev@ci.lathrop.ca.us)

**TERESA VARGAS – CITY CLERK**