



**CARES-ACT AMENDMENT
TO THE COUNTY OF ORANGE
2015 - 2019 CONSOLIDATED PLAN
&
2019 - 2020 ACTION PLAN**

**EMERGENCY SOLUTIONS GRANT AND
COMMUNITY DEVELOPMENT BLOCK GRANT
COVID - 19 ALLOCATIONS
AND HOME PROGRAM INCOME**

JULY 14, 2020



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TABLE OF CONTENTS

Executive Summary.....	1
Background	1
Expected Resources.....	1
Proposed Uses of Emergency Solutions Grant (CDBG-CV)	1
Proposed Uses of Community Development Block Grant (ESG-CV)	3
Proposed Uses of HOME Program Income.....	3
AP-15 Expected Resources	4
Matching Requirements	6
AP-20 Goals and Objectives	6
AP-35 Projects and activities.....	8
AP-90 Program Specific Requirements	12

Appendices

(To be inserted prior to submission to HUD)

Appendix A Citizen Participation Appendix

Appendix B ESG Written Standards

Appendix C SF-424 Certifications

Executive Summary

Background

Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the President signed it on March 27, 2020 authorizing \$2.2 trillion in a variety of stimulus measures to prevent, prepare for, and respond to the COVID-19 pandemic. The County of Orange receives regular formula-based entitlement grants of Emergency Solutions Grant (ESG) and Community Development Block Grant (CDBG) funds through the United States Department of Housing and Urban Development (HUD) each year. As part of the CARES Act, HUD allocated to the County by regular formula, CDBG-CV, ESG-CV1 and ESG-CV2 funding. The CDBG-CV, ESG-CV1 and ESG-CV2 funds allocated under the CARES Act may be used for a range of eligible activities.

Expected Resources

The CARES Act allocations from HUD include \$1,925,926 of CDBG-CV, \$772,352 of ESG-CV1 funds and \$4,992,579 ESG-CV2 funds. The period of performance for the CDBG-CV and ESG-CV1 grant under the law is from March 1, 2020 to December 30, 2020 and ESG-CV2 period of performance is from June 9, 2020 through September 30, 2022. HOME Program Income has increased, and HUD has also increased the amount of HOME Administration from 10% to 25%.

These funds are separate and distinct from the County's regular ESG and CDBG funds. As of May 2020, HUD continues to release guidance for these programs containing modified program requirements. Subject to the CARES Act and emerging policy from HUD, the Orange County Board of Supervisors is responsible for determining how CDBG-CV, ESG-CV1 and ESG-CV2 funds will be used to prevent, prepare for and respond to the COVID-19 virus. The Orange County Board of Supervisors requests approval to invest CARES Act funding for the CDBG-CV, ESG-CV1 and ESG-CV2 activities listed below.

Proposed Uses of Community Development Block Grant (CDBG-CV)

The proposed activities must meet one of the following three national objectives as required by the CDBG regulations:

- Benefit low-moderate income persons, and
- Aid in the prevention or elimination of slum or blight, and
- Meet an urgent need.

CDBG

\$ 1,578,728

- **Provision of new or quantifiably increased public services**
 - Carry out job training to expand the pool of healthcare workers and technicians available to treat 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 health facilities.

- Provide equipment, supplies, and materials necessary to carry out a public service, including childcare for essential workers.
- Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.

- ***Nonexclusive examples of eligible expenditures***

Eligible expenditures include, but are not limited to, payment for:

1. Medical expenses such as:
 - COVID-19-related expenses of public hospitals, clinics, and similar facilities.
 - Expenses of establishing temporary public medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs.
 - Costs of providing COVID-19 testing, including serological testing.
 - Emergency medical response expenses, including emergency medical transportation, related to COVID-19.
 - Expenses for establishing and operating public telemedicine capabilities for COVID-19-related treatment.
2. Public health expenses such as:
 - Expenses for communication and enforcement by State, territorial, local, and Tribal governments of public health orders related to COVID-19.
 - Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment, for medical personnel, police officers, social workers, child protection services, and child welfare officers, direct service providers for older adults and individuals with disabilities in community settings, and other public health or safety workers in connection with the COVID-19 public health emergency.
 - Expenses for disinfection of public areas and other facilities, *e.g.*, nursing homes, in response to the COVID-19 public health emergency.
 - Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety.
 - Expenses for public safety measures undertaken in response to COVID-19.
 - Expenses for quarantining individuals.
3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
4. Expenses of actions to facilitate compliance with COVID-19-related public health measures, such as:
 - Expenses for food delivery to residents, including, for example, senior citizens and other vulnerable populations, to enable compliance with COVID-19 public health precautions.
 - Expenses to facilitate distance learning, including technological improvements, in connection with school closings to enable compliance with COVID-19 precautions.
 - Short term rental assistance
 - Expenses to improve telework capabilities for public employees to enable compliance with COVID-19 public health precautions.
 - Expenses of providing paid sick and paid family and medical leave to public employees to enable compliance with COVID-19 public health precautions.
 - COVID-19-related expenses of maintaining state prisons and county jails, including as relates to sanitation and improvement of social distancing measures, to enable compliance with COVID-19 public health precautions.

- Expenses for care for homeless populations provided to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions.
5. Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as:
 - Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
 - Expenditures related to a State, territorial, local, or Tribal government payroll support program.
 - Unemployment insurance costs related to the COVID-19 public health emergency if such costs will not be reimbursed by the federal government pursuant to the CARES Act or otherwise.
 6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.

County of Orange: CDBG-CV Program Planning and Administration	\$ 347,198
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Proposed Uses of Emergency Solutions Grant (ESG-CV1)

Emergency Shelter Extension and operation	\$ 695,117
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County of Orange/OCCR & Health Care Agency: ESG-CV1 Program Administration	\$ 77,235
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Proposed Uses of Emergency Solutions Grant (ESG-CV2)

ESG-CV2	\$ 4,493,321
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Funding will be used but not limited to:

- Short Term Rental Assistance,
- Make more emergency shelters available for homeless individuals and families,
- Operate emergency shelters by providing food, rent, security, maintenance, repair, fuel, equipment, insurance, utilities, furnishings, and supplies necessary for their operation,
- Provide Hotel/Motel Vouchers for homeless families and individuals,
- Provide essential services to people experiencing homelessness including childcare, education services, employment assistance, outpatient health services, legal services, mental health services, substance abuse treatment services, and transportation,
- Prevent individuals from becoming homeless and rapidly rehouse homeless individuals.
- Any other COVID-19 related expenses.

County of Orange/OCCR & Health Care Agency: ESG-CV2 Program Administration	\$ 499,257
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Proposed Uses of Additional HOME Program Income

Affordable Housing	\$ 667,523
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Administration	\$ 413,532
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Expected Resources

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AP-15 Expected Resources

Table 1 – Expected Resources

Program	Uses of Funds	Expected Amount Available				Narrative Description
		Allocation:	Program Income:	Prior Year Resources:	Total:	
ESG-CV1	Extension of Homeless Shelters that provide Homeless Prevention, Rapid Rehousing, HMIS and Administration	\$772,352	\$0	\$0	\$772,325	CARES Act allocation 1 of ESG to address COVID-19
ESG-CV2	Funding will be used to make more emergency shelters available for homeless individuals, short term rental assistance and families; Operate emergency shelters by providing food, rent, security, maintenance, repair, fuel, equipment, insurance, utilities, furnishings, and supplies necessary for their operation; Provide Hotel/Motel Vouchers for homeless families and individuals; Provide essential	\$4,992,579	\$0	\$0	\$4,992,579	CARES Act allocation 2 of ESG to address COVID-19

	services to people experiencing homelessness including childcare, education services, employment assistance, outpatient health services, legal services, mental health services, substance abuse treatment services, and transportation; and Prevent individuals from becoming homeless and rapidly rehouse homeless individuals.					
CDBG-CV	Public Services, Assistance to Businesses, including Special Economic Development Assistance, Emergency home repairs to allow residents to continue isolating in place, rental assistance, Costs to manufacture/procure cloth masks for residents/staff, shelter; operations, Supplies and reporting, administration and any other qualified COVID-19 expenses.	\$1,925,926	\$0	\$0	\$1,925,926	CARES Act allocation of CDBG to address COVID- 19
HOME	Funds will be used for the development of Affordable Housing and also to have adequate funds to pay for the increased cost of administering HOME-related activities to address the effects of COVID-19, including attempts to prevent the spread of the virus.		\$1,081,055		\$1,081,055	HOME Program Income.

Matching Requirements

The Cares Act allocations of ESG-CV1, ESG-CV2 and CDBG-CV funds do not require a local matching funds contribution.

Note: Information on this page will also be used to update the 2015-2019 Consolidated Plan "SP-35 Anticipated Resources" section, adding the ESG-CV1&2 and CDBG-CV allocations shown in Table 1.

AP-20 Goals and Objectives

Goals Summary Information

Table 2 – COVID-19 Goals and Objectives

Goal Name	Time Period	Category		Needs Addressed	Funding	Goal Outcome Indicator
Goal 1 ESG-CV1 Emergency Shelter Urgent Needs	FY 2019 - 20	Homelessness Prevention Rapid Re- Housing		Urgent Need for assistance to address COVID-19	ESG-CV: \$695,117	Extension of Shelter to provide Shelter, Homelessness Prevention and Rapid Rehousing Due to the COVID-19 Pandemic. Persons Assisted TBD Rapid Re-Housing: TBD Households Assisted TBD
	Description: Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, ESG-CV1 funds will be used to provide vital assistance designed to prevent, prepare for, and respond to the COVID-19 pandemic. This includes activities administered by the County of Orange and its Health Care Agency partners to address the housing needs of County residents including but not limited to eligible ESG-CV1 activities such as homelessness prevention, shelter, rapid re-housing, and housing relocation and stabilization services.					
Goal 2 ESG-CV2	FY 2019-20	To prevent, prepare for, and respond to the COVID-19 pandemic.		The funding is to be utilized to prevent, prepare for and respond to Corona virus among individuals and families experiencing homelessness, receiving homeless assistance or are at risk of homelessness.	ESG-CV2 \$4,493,323	TBD

Goal 3 HOME Program Income Increase	FY 2019-20	Affordable Housing		Eligible HOME projects in the County's NOFA	HOME PI \$667,523	TBD
CDBG-CV Administration	Funds to be Utilized for administration of the programs.			CDBG-CV \$ 385,185	Administration	
ESG-CV1 Administration	Funds to be Utilized for administration of the programs.			ESG-CV1 \$ 77,235	Administration	
ESG-CV2	Funds to be Utilized for administration of the programs.			ESG-CV2 \$ 499,257	Administration	
HOME Program Income Administration Increase	Funds to be Utilized for administration of the programs.			HOME- PI \$ 413,532	Administration	

Note: Information from this page will also be used to update the 2015-2019 Consolidated Plan "SP-45 Strategic Plan Goals" section, adding the two goals shown in Table 2.

AP-35 Projects and activities

To address the ESG-CV1, ESG-CV2 and CDBG-CV goals, the County of Orange will invest these funds for the project activities shown in the tables below.

Table 3 – ESG-CV1 Project and Activities

1	Project Name	ESG-CV1
	Target Area	County wide
	Goals Supported	ESG-CV1 Emergency Shelter Extension & Operations
	Needs Addressed	Shelter, Homelessness Prevention, Rapid Re-Housing , rental assistance.
	Funding	ESG-CV1: \$772,352
	Description	<p>Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, ESG-CV1 funds will be used to provide extension of Emergency Shelter and operations and may include activities to prevent, prepare for, and respond to the COVID-19 pandemic. This includes activities administered by the County of Orange and its Health Care Agency partners to address the housing needs of County residents.</p> <p>These activities include shelter, housing relocation and stabilization services and short- and/or medium-term rental assistance. Costs for homelessness prevention are eligible if the assistance is necessary to help the County residents regain stability in their current permanent housing or move into other permanent housing to achieve stability in that housing. Eligible housing relocation and stabilization costs include utility payments, housing stability case management, mediation, legal services, covid-19 prevention, preparation and other costs specified in the regulations.</p>
	Target Date	12/30/2020
	Estimate the number and type of families that will benefit	The number of people served by individual activities may vary depending on the level of need demonstrated by each person for the services provided.
	Location	County wide

Planned Activities	Extension and operations of Emergency Shelter Program due to COVID-19. County of Orange: ESG-CV Program Administration \$77,235 split 50% with OC Health Care Agency
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2	Project Name	ESG-CV2
	Target Area	County wide
	Goals Supported	ESG-CV2 CARES Act funding for Covid-19 related expenses
	Needs Addressed	COVID-19 Related Expenses
	Funding	ESG-CV2: \$4,992,579
	Description	Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, ESG-CV2 funds will be used by the OC Health Care Agency/Office of Care Coordination for use of one or more of the following: short term rental assistance; make more emergency shelters available for homeless individuals and families; operate emergency shelters by providing food, rent, security, maintenance, repair, fuel, equipment, insurance, utilities, furnishings, and supplies necessary for their operation; provide hotel/motel vouchers for homeless families and individuals; provide essential services to people experiencing homelessness including childcare, education services, employment assistance, outpatient health services, legal services, mental health services, substance abuse treatment services, and transportation; and Prevent individuals from becoming homeless and rapidly rehouse homeless individuals.
	Target Date	9/30/2022
	Estimate the number and type of families that will benefit	All County residents will benefit from the planned activities. The number of people served by individual activities may vary depending on the level of need demonstrated by each person or household for the services provided.
	Location	County wide
	Planned Activities	short term rental assistance make more emergency shelters available for homeless individuals and families; operate emergency shelters by providing food, rent, security, maintenance, repair, fuel, equipment, insurance, utilities, furnishings, and supplies necessary for their operation provide hotel/motel vouchers for homeless families and individuals provide essential services to people experiencing homelessness including childcare, education services, employment assistance, outpatient health services, legal services, mental health services, substance abuse treatment services, and transportation Prevent individuals from becoming homeless and rapidly rehouse homeless individuals. County of Orange: ESG-CV2 Program Administration \$499,257 split 50% with OC Health Care Agency

Table 4 – CDBG-CV Project and Activities

3	Project Name	CDBG-CV COVID-19 Related Activities
	Target Area	County wide
	Goals Supported	CDBG-CV
	Needs Addressed	New or quantifiably increased public services, Small Business Relief, COVID-19
	Funding	CDBG-CV: \$1,925,926
	Description	Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, CDBG-CV funds will be used to provide vital public services designed to prepare for, prevent and respond to the COVID-19 pandemic. This includes activities administered by the County of Orange housing, and safety needs of County residents. The housing component of these activities includes short-term rental assistance and utility assistance. The health, safety, and emergency components include Participating Cities, Unincorporated areas costs for food, small business relief as well as County of Orange costs to prevent, prepare for, and respond to COVID-19 that are not reimbursed from other sources.
	Target Date	12/30/2020
	Estimate the number and type of families that will benefit	County residents will benefit from the planned activities. The number of people served by individual activities may vary depending on the level of need demonstrated by each person or household for the services provided.
	Location	County wide
	Planned Activities	Costs to manufacture/procure cloth masks for residents Emergency home repairs to allow residents to continue isolating in place To-go meals for low-income households Meals on Wheels; food assistance program Hot meal distribution programs (drive-thru, to-go, and delivery) Assistance to Businesses, including Special Economic Development Assistance Other activities to prevent, prepare for and respond to the COVID-19 virus CDBG-CV County Program Administration \$347,198

4	Project Name	HOME Program Income Increase
	Target Area	Eligible HOME projects in the County's NOFA
	Goals Supported	HOME
	Needs Addressed	Affordable Housing
	Funding	CDBG-CV: \$1,081,255
	Description	Eligible HOME projects in the County's NOFA and additional Administration to address COVID-19
	Target Date	12/30/2020
	Estimate the number and type of families that will benefit	TBD
	Location	County wide
	Planned Activities	Funds will be used for the development of Affordable Housing and also to have adequate funds to pay for the increased cost of administering HOME-related activities to address the effects of COVID-19, including attempts to prevent the spread of the virus. HOME County Program Administration \$413,532

AP-90 Program Specific Requirements

In the implementation of program activities under the CDBG-CV and ESG-CV Action Plan will follow all HUD regulations and some or all of the waivers made available by HUD concerning compliance matters such as program income and overall low- and moderate-income benefit (if applicable). To the extent applicable, the County and its subrecipients will use the written standards for providing ESG assistance developed by the County of Orange. Please refer to the ESG written standards in Appendix B.

HOME Investment Partnership Program (HOME)

The following tables address HUD regulatory requirements at 24 CFR 91.220(l)(2) concerning HOME program income.

Table 5 – Program Income

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	1,081,055
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	1,081,055

Table 6 – Low- and Moderate-Income Benefit

1. The amount of urgent need activities*	30%
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low- and moderate-income. Overall Benefit - A minimum overall benefit of 70% of CDBG funds is used to benefit persons of low- and moderate-income. Subject to change due to Urgent need	70%
Annual Action Plan	

*Note: The amount for Urgent Need activities may change depending on waivers issued by HUD subsequent to this Action Plan amendment.

Emergency Solutions Grant (ESG)

Reference 91.220 (I) (4)

- 1. Include written standards for providing ESG-CV1&2 assistance (Included as Appendix B.)*

County of Orange ESG-CV1 funds will be used for Homeless Shelter(s). To the extent required by HUD and consistent with ESG-CV1&2 program requirements and waivers issued by HUD. The County and County Healthcare Agency will follow the ESG Written Standards and are included in Appendix B.

APPENDIX A

Citizen Participation

Pursuant to HUD regulations, the County's Citizen Participation Plan, current HUD waivers for grant programs and consolidated plan requirements to prevent the spread of COVID-19, staff published a 5-day notice of a public hearing and allowed for a 14-day comment period. Public comments and the County's Board of Supervisor's recommendations will be included in the Substantial Amendment to the FY 2019-20 Annual Action Plan.

APPENDIX B

Emergency Solutions Grant (ESG)

Reference 91.220(l)(4)

(To be inserted prior to submission to HUD)

APPENDIX C

SF- 424s Certifications

(To be inserted prior to submission to HUD)