



**CARES-ACT AMENDMENT-1
TO THE COUNTY OF ORANGE –
2020-2024 CONSOLIDATED PLAN
& 2020-2021 ACTION PLAN**

**CARES-ACT AMENDMENT - 2
TO THE COUNTY OF ORANGE 2015-19 CONSOLIDATED PLAN
& 2019-20 ANNUAL ACTION PLAN**

**COMMUNITY DEVELOPMENT BLOCK GRANT COVID-19
(CDBG-CV1 & CV3) ALLOCATIONS**

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(To be inserted prior to submission to HUD)

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Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The County of Orange is located along the Pacific Ocean between Los Angeles County to the north and northwest, San Bernardino County to the northeast, Riverside County to the east, and San Diego County to the southeast. Orange County stretches approximately 40 miles along the coast and extends inland approximately 20 miles, covering 798 square miles.

This Fiscal Year (FY) 2020-2024 Consolidated Plan for the Urban County of Orange serves as the Urban County's official application to HUD for Community Planning and Development (CPD) funds - Community Development Block Grant (CDBG), HOME Investment Partnership, and Emergency Solutions Grant (ESG) funds. The Plan identifies the housing and community development needs in the Urban County and sets forth a strategic plan for addressing the identified needs. It also satisfies the minimum statutory requirements of the CDBG, HOME, and ESG programs. The Plan covers from July 1, 2020 through June 30, 2025. (That Consolidated Plan was written prior to the COVID-19 Pandemic).

The "Urban County" of Orange is comprised of 11 cities with populations under 50,000 (participating cities), two "Metro" cities – Placentia and Yorba Linda – with populations over 50,000, and the unincorporated areas of Orange County. The 11 participating cities include Brea, Cypress, Dana Point, Laguna Beach, Laguna Hills, Laguna Woods, La Palma, Los Alamitos, Seal Beach, Stanton, and Villa Park. With populations over 50,000, Placentia and Yorba Linda are eligible to participate in the CPD programs as entitlement jurisdictions and receive funding directly from HUD. However, these cities have elected to join the Urban County for the overall implementation of these programs.

Substantial Amendment 1 is required due to the County being allocated a third supplemental allocation of Community Development Block Grant (CDBG) funds to respond to coronavirus (CDBG-CV). These CDBG-CV3 funds allow for statutory and regulatory waivers, and alternative requirements that will help to prevent, prepare for, and respond to coronavirus and to annual formula CDBG grants awarded in fiscal year 2020. The statutory and regulatory provisions governing the CDBG program apply to CDBG-CV and CDBG grants.

Substantial Amendment 2 is required due to the County had allocated CDBG-CV1 allocation of Community Development Block Grant (CDBG-CV1) funds to the city of Cypress. These CDBG-CV1 funds were not used by this city for the intended purpose and will be reprogrammed to the Counties Emergency Rental Assistance Program and will help to prevent, prepare for, and respond to coronavirus in FY 2020-21 and FY 2021-22. The statutory and regulatory provisions governing the CDBG program apply to CDBG and CDBG-CV grants.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The Urban County of Orange incorporated outcome measures for activities in accordance with the Federal Register Notice dated March 7, 2006, which require the following Performance Measure Objectives/Outcomes to be associated with each activity funded:

General Objective Categories- Activities will meet one of the following:

- Decent Housing (DH)
- A Suitable Living Environment (SL)
- Economic Opportunity (EO) General

Outcome Categories- Activities will meet one of the following:

- Availability/Accessibility (1)
- Affordability (2)
- Sustainability (3)

In addition to national objectives and performance outcomes, the County must weigh and balance the input from different groups and assign funding priorities that best bridge the gaps in the County's service delivery system. While other goals the County has set are also important, for the purposes of the Consolidated Plan, only those which are anticipated to be funded with CPD funding programs (CDBG, HOME, and ESG) during the five-year planning cycle are indicated to be high priorities. The County utilizes other funding sources to meet goals that are not considered high priority in the Consolidated Plan. The County established priorities for allocating CPD funds based on a number of criteria, including:

- Urgency of needs
- Cost efficiency
- Eligibility of activities/programs
- Availability of other funding sources to address specific needs
- Funding program limitations
- Capacity and authority for implementing actions
- Consistency with countywide goals, policies, and efforts

Needs that have been determined to be a High Priority level will receive funding during the Five-Year Consolidated Plan. The priorities for the FY 2020-2024 Consolidated Plan, established in consultation with residents and community groups, include the following:

High Priority

- Expand and preserve the supply of affordable housing to create housing opportunities for low- and moderate-income households and homeless individuals and families
- Strengthen, preserve, and enhance the physical character and quality of life in Orange County's low- and moderate-income neighborhoods, including the housing stock and public infrastructure and facilities.
- Continue to build the capacity of residents to empower themselves and help strengthen their community, through the funding of needed public services for seniors, the homeless, and those at risk of homelessness.
- Planning and administration.

3. Evaluation of past performance

During the last Five-Year Consolidated Plan for FY 2015-2019, the Urban County met or exceeded most of its five-year goals and objectives. As of FY 2019, the Urban County has already completed 257 percent of its public service goals, serving over 66,000 people through a number of programs including community center services, senior services, and fair housing services. A number of public facilities and infrastructure improvements were also completed during the FY 2015-2019 period. As of FY 2019, the Urban County had made improvements to public facilities that have provided services to over 342,000 people. Additional accomplishments for FY 2019 will be provided in the CAPER due January 2021.

The Urban County has also made progress in its housing rehabilitation objectives. Housing & Community Development works in collaboration with six cities in administrating CDBG Housing Rehabilitation projects throughout the County. Housing rehabilitation programs were also implemented and administered by the cities of Brea, Cypress, Laguna Woods, Placentia, Seal Beach, and Yorba Linda. Since FY 2015, the Urban County's various housing rehabilitation programs have rehabilitated 530 single-family homes.

HOME funds are currently set-aside for Permanent Supportive Housing activities under the County's 2016 Supportive Housing Notice of Funding Availability (PSH NOFA).

4. Summary of citizen participation process and consultation process

Citizen participation is one of the most important components of the Consolidated Plan process. However, due to the Cares Act funding waivers, the normal 30-day public comment period has been shortened to only 5 days to expedite the process in order to deploy the funds quickly.

Public Review of Draft Documents: A 5-day public review was held from February 5, 2021 to February 10, 2021. Copies of the draft Consolidate Plan and Action Plan were made available for the public at the following locations:

- www.occommunityservices.org/hcd/community/

The final Consolidated Plan, amendments to the Plan, and annual performance reports will be available for five years at the County Government Offices. Residents affected by the Plan's implementation have access to the County's Plans.

Public Hearing: A public hearing before the Board of Supervisors was held on March 09, 2021 for the adoption of the Amendments to the FY 2020-21, FY 2015-19 Consolidated Plans, FY 2020-21 Annual Action Plan and the FY 2019-20 Annual Action Plan.

5. Summary of public comments

A summary of the public comments received is provided in Appendix A.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments received were accepted and summarized in Appendix A.

7. Summary

See above.

Background

The County of Orange receives regular formula-based entitlement grants CDBG funds through the United States Department of Housing and Urban Development (HUD) each year.

HUD provides annual grants on a formula basis through the CDBG Program to jurisdictions to develop viable urban communities through the provision of decent housing and a suitable living environment and the expansion of economic opportunities, principally for low- and moderate-income persons.

The County, as an urban county entitlement jurisdiction, is eligible to receive CDBG funds from HUD to administer the CDBG Program on behalf of the cities of Brea, Cypress, Dana Point, La Palma, Laguna Beach, Laguna Hills, Laguna Woods, Los Alamitos, Seal Beach, Stanton and Villa Park (Urban County Cities), the cities of Placentia and Yorba Linda (Metro Cities) as well as the unincorporated areas of Orange County.

A Substantial Amendment to the 2015 - 2019 Consolidated Plan and the 2019-20 Annual Action Plan was completed due to Congress passing the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020 and the President signing it authorizing \$2.2 trillion in a variety of stimulus measures as part of the CARES Act. On April 2, 2020, HUD allocated the first round of funds to the County by regular formula for additional funding under CDBG-CV1 in the amount of \$1,925,926. This funding was specifically

targeted to prevent, prepare for, and respond to the COVID-19 pandemic. One City did not and is not planning to use the funds to prevent, prepare for, and respond to the COVID-19 pandemic.

This Substantial Amendment to the 2020-2024 Consolidated Plan and the 2020-21 Annual Action Plan is required due to HUD allocated the third round of CARES Act CDBG-CV3 funding to the County in an amount of \$3,784,847 on September 9, 2020, On half of the CDBG CV3 funding (\$1,215,329) is to be used to provide temporary relief to renters who, as a result of financial hardships caused by the coronavirus, are struggling to meet their monthly rent obligations. The remaining CDBG-CV3 funding (\$1,215,329) will provide funds for implementation of interim housing through Project Homekey, and/or for emergency shelters located in urban county cities that respond to coronavirus on a regional basis.

This Substantial Amendment to the FY 2015-2019 Consolidated Plan and the 2019-20 Annual Action Plan is required due to the CDBG-CV1 allocated of CARES Act CDBG-CV1 funding to the County in an amount of 129,430 was not and will not be used by the cities of Cypress. This CDBG-CV1 funding is to be used along with 50% of the CDBG-CV3 funding to provide temporary relief to renters who, as a result of financial hardships caused by the coronavirus, are struggling to meet their monthly rent.

Expected Resources

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

Introduction

The County of Orange will receive the following grants from HUD additionally under the CARES Act:

CDBG-CV3 \$3,784,847 and reallocated CDBG-CV1 funds in the amount of \$129,430 for a total of \$3,914,277.

The CDBG CV3 funds received under the CARES Act are separate and distinct from the County's regular CDBG funds. Subject to the CARES Act and emerging policy from HUD, the Orange County Board of Supervisors is responsible for determining how CDBG CV3 funds will be used to prevent, prepare for and respond to the COVID-19 virus.

Therefore, the Orange County Board of Supervisors requests approval to invest CARES Act funding CDBG-CV3 for activities listed below.

Proposed Uses of Community Development Block Grant (CDBG-CV1 & CDBG-CV3)

-Total CDBG-CV3 funding	\$3,784,847
-County Administration	\$ 682,317
-Metro Cities Activities	\$ 671,872
-Interim Housing (Homekey Projects in Urban County Cities)	\$ 810,218
-Interim Housing (Emergency Shelter Project in Laguna Beach)	\$ 405,111
-Emergency Rental Assistance Program (ERAP) for Urban County Cities and Unincorporated Areas	\$1,215,329
- Reallocated CDBG CV-1 funds for ERAP	\$ 129,430

The County will administer program funding for the metro cities of Placentia and Yorba Linda. In addition,

the County will provide \$1,215,329 and \$129,430 for a total of \$1,344,759 for Emergency Rental Assistance Program throughout the urban county cities and unincorporated areas, in order to provide temporary relief to renters who, as a result of financial hardships caused by the coronavirus, are struggling to meet their monthly rent. The application will be initially be available for jurisdictions and unincorporated areas based on the CDBG-CV3 federal allocation. If any jurisdiction or unincorporated area is undersubscribed, those remaining funds will be pooled and then awarded to applicants on a first come first services basis by the date and time that the application was submitted, regardless of the jurisdiction or unincorporated area.

In addition, the County will provide \$1,215,329 for implementation of interim housing at two Project Homekey sites in Stanton in the amount of \$810,218 and \$405,111 for interim Housing at an emergency shelter located in Laguna Beach, an urban county city that responds to the coronavirus on a regional basis. The breakdown of funds is as follows:

In addition, the County of Orange OC Community Resources & Health Care Agency will share the \$682,317 of Program Administration funds.

Table 1 – Expected New Resources

Program	Uses of Funds	Expected Amount Available				Narrative Description
		Allocation:	Program Income:	Prior Year Resources:	Total:	
CDBG-CV3	Provide temporary relief to renters who, as a result of financial hardships caused by the coronavirus, are struggling to meet their monthly rent obligations	\$1,215,329	\$0	\$0	\$1,215,329	CARES Act allocation of CDBG-CV3 funds for CDBG-eligible activities that are carried out to prevent, prepare for, and respond to coronavirus.
CDBG-CV1				\$129,430	\$129,430	
					TOTAL	\$1,344,759
CDBG-CV3	Implementation of interim housing in urban county cities that respond to the coronavirus on a regional basis in the	\$1,215,329	\$0	\$0	\$1,215,329	CARES Act allocation of CDBG-CV3 funds for CDBG-eligible

	County.					activities that are carried out to prevent, prepare for, and respond to coronavirus. \$1,215,329
					TOTAL	

Note: Information on this page will also be used to update the FY 2020-24 Consolidated Plan and the FY 2015-15 Consolidated Plan “SP-35 Anticipated Resources” section, CDBG-CV1 & CV3 allocations shown in Table 1.

Matching Requirements

The Cares Act allocations CDBG-CV1 & CV3 funds do not require a local matching funds contribution.

Annual Goals and Objectives

AP-20 Annual 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 CDBG-CV3 Urgent Needs Public Services	FY 2020-21	Public Services- Any other Qualified Covid-19 Expenses Emergency Rental Assistance		Urgent Need for assistance to address COVID- 19	CDBG-CV3: \$1,215,329	Public service COVID-19 activities Persons Assisted TBD Covid-19 Housing Benefit: TBD Persons Assisted
CDBG-CV1	FY 2019-20	Emergency Rental Assistance			CDBG-CV1 \$129,430	Public service COVID-19 activities Persons Assisted TBD Covid-19 Housing Benefit: TBD Persons Assisted
					Total \$1,344,759	
Goal 2 CDBG-CV3 Urgent Needs	FY 2020-21	Public Services Interim Housing (Project Home- Key Projects)			\$810, 218	Public service COVID-19 activities Persons Assisted TBD Covid-19 Housing Benefit: TBD Persons Assisted
Goal 3 Public Services	FY 2020-21	(Emergency Shelter – Laguna Beach)			\$405,111	Persons 950
					Total \$1,215,329	
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 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 health, housing, and safety needs of County residents.					
CDBG-CV3 Administration	Funds to be utilized for administration of the programs. (\$170,579 to HCA and \$511,738 to OCCR)			CDBG-CV3	\$ 682,317	Administration

Note: Information from this page will also be used to update the FY 2020-2024 and the FY 2015-19 Consolidated Plan “SP-45 Strategic Plan Goals” section, adding one goal shown in Table 2.

AP-35 Projects and activities

AP-35 Projects – 91.220(d)

Introduction

To address the CDBG-CV1 and CV3 goals, the County of Orange will invest these funds for the project activities shown in the tables below.

Table 3 – CDBG CV3 Project and Activities

1	Project Name	CDBG-CV3 Emergency Rental Assistance Program (ERAP)
	Target Area	Participating Cities and unincorporated areas
	Goals Supported	CDBG-CV1&3
	Needs Addressed	Emergency Rental Assistance
	Funding	CDBG-CV3: \$1,215,329 CDBG-CV1: \$129,430 Total: \$1,344,759
	Description	Subject to the CARES Act and emerging policy from HUD, including program regulations and waivers, CDBG-CV1 & CDBG-CV3 funds will be used to provide activities 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 health, housing, and safety needs of County residents. The housing component of these activities includes short-term rental assistance and utility assistance.
	Target Date	For CDBG-CV1 and for CDBG-CV3 80% of funds must be expended by 06/30/23 with remaining funds by 06/30/2026
	Estimate the number and type of families that will benefit	Approximately TBD people will be assisted with homelessness prevention and approximately TBD households will be assisted with rapid re-housing assistance.
	Location	County wide
2	Project Name	CDBG-CV3 Interim Housing at Project Homekey Sites
	Target Area	Sites in the Urban County Cities, Interim Housing in Urban City(s)
	Need Addressed	Homeless Prevention and Rapid Re-Housing
	Funding	CDBG-CV3 \$ 810,218
	Description	Project Homekey Sites in Urban County Cities include the health, safety, and emergency components include Participating Cities, unincorporated areas and Health Care Agency costs for food, 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	80% of funds must be expended by 06/30/23 with remaining funds by 06/30/2026
3	Project Name	Interim Housing Emergency Shelter Laguna Beach
	Target Area	Laguna Beach Shelter

Need Addressed	TBA								
Planned Activities Summary	<table> <tr> <td>Project Homekey Sites in Urban County Cities</td> <td>\$810,218</td> </tr> <tr> <td>Emergency Shelter in Urban County Cities</td> <td>\$405,111</td> </tr> <tr> <td>Emergency Rental Assistance Program in Unincorporated areas</td> <td>\$1,344,759</td> </tr> <tr> <td>County of Orange: CDBG-CV3 Program Administration Agency</td> <td>\$ 682,317 sharing with HealthCare Agency</td> </tr> </table>	Project Homekey Sites in Urban County Cities	\$810,218	Emergency Shelter in Urban County Cities	\$405,111	Emergency Rental Assistance Program in Unincorporated areas	\$1,344,759	County of Orange: CDBG-CV3 Program Administration Agency	\$ 682,317 sharing with HealthCare Agency
Project Homekey Sites in Urban County Cities	\$810,218								
Emergency Shelter in Urban County Cities	\$405,111								
Emergency Rental Assistance Program in Unincorporated areas	\$1,344,759								
County of Orange: CDBG-CV3 Program Administration Agency	\$ 682,317 sharing with HealthCare Agency								

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 comment period the notice of Public Hearing beginning February 5, 2021 and ending February 10, 2021 . In addition, the Public Hearing will be held on March 09, 2021, during a regularly scheduled Board of Supervisors meeting. The Public will be able to provide feedback to the Board of Supervisors prior to approval of the Plan. Public comments and the County's Board of Supervisor's recommendations will be included in the Substantial Amendment to the 2020-2024 & FY 2015-19 Consolidated Plans and the FY 2020-2021 and FY 2019-20 Annual Action Plans.

In addition, on October 2, 2020, the CDBG City Manager Subcommittee held a meeting to discuss the proposed activities to be undertaken with CDBG-CV3 funds for FY2020-21.

APPENDIX B

SF- 424s Certifications

(To be inserted prior to submission to HUD)