



MEMORANDUM
COMMUNITY DEVELOPMENT RESOURCE AGENCY
ADMINISTRATION
County of Placer

TO: Board of Supervisors DATE: July 28, 2020
FROM: Steve Pedretti, Director, Community Development Resource Agency
BY: Shawna Purvines, Principal Planner
Sherri Conway, Director, Economic Development
SUBJECT: Community Development Block Grant Business Assistance Funding Application

ACTIONS REQUESTED

1. Conduct a public hearing and adopt a resolution to submit a Community Development Block Grant of up to \$882,171 in Support of establishing a business assistance loan program and a microenterprise loan program.
2. Approve the execution of a grant agreement from the State of California Community Development Block Grant Program and authorize the Agency Director or designee to sign required documentation and any amendments thereto.

BACKGROUND

On January 21, 2020, Housing and Community Development (HCD) issued a Community Development Block Grant (CDBG) Notice of Funding Availability (NOFA) for its economic development activities with an open deadline until September 15, 2020 with funds awarded on a first-come first-serve basis until all funds are expended. On June 5, 2020, HCD issued CDBG-CV1 NOFA for funding provided under the Coronavirus Aid, Relief, and Economic Security (CARES) Act signed into law March 27, 2020 with an application deadline of August 31, 2020 and a requirement that all funds be expended within 12 months from award.

Previous awards of CDBG funds have been made to the county for Housing Assistance, Public Facilities, Business Assistance, Public Services and Planning and Technical Assistance. This proposed application is for:

1. Economic Development Business Assistance Grant Application for \$500,000 from the 2020 CDBG NOFA to establish a business loan program; and
2. Economic Development Business Assistance Grant Application for \$382,171 from the 2020 CDBG-CV1 NOFA to establish a Microenterprise loan program.

The attached Resolution allows the County to submit the application packets prior to these deadlines.

Staff published a Notice of Public Meeting in the Sacramento Bee advising of the public meeting that was held in the Planning Commission Room at the Community Development Resource Center on January 31, 2020 as is required by CDBG. There were no members of the public in attendance at this meeting.

After the release of the 2020 CDBG-CV1 NOFA, staff published a Notice of Public Meeting in the Sacramento Bee advising the public meeting that was held on 21, 2020 as required by CDBG.

ENVIRONMENTAL IMPACT

National Environmental Policy Act (NEPA)

Categorically excluded and not subject to 58.5 under 24 CFR 58.35(b)(4) - Economic development activities, including but not limited to, equipment purchase, inventory financing, interest subsidy, operating expenses and similar costs not associated with construction or expansion of existing operations.

California Environmental Quality Act (CEQA):

The proposed filing for an application for grant funds to use for housing rehabilitation, water system improvements, and studies is not a project under the California Environmental Quality Act Guidelines Section 15378, and is exempt under Sections 15301, 15302 and 15262.

FISCAL IMPACT

There is no County match required for the 2019-2020 CDBG NOFA. If the department is successful in this grant application, the appropriate funding amount will be budgeted in the respective Department's FY budget(s).

ATTACHMENTS

Attachment 1: Draft Application Resolution

Attachment 2: Public Notice

ATTACHMENT A

Before the Board of Supervisors County of Placer, State of California

In the matter of: A Resolution approving an application for funding and the execution of a grant agreement and any amendments thereto from the 2019-2020 funding year of the State CDBG Program and the 2020 funding year of the State CDBG-CV1 Program

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held on July 28, 2020, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, the California Department of Housing and Community Development (the "Department") has announced the availability of Community Development Block Grant (CDBG) funds under the Community Development Allocation, the Economic Development Allocation and the Planning and Technical Assistance (PTA) Allocation and is authorized to make those funds available to jurisdictions; and

WHEREAS, on January 21, 2020 the Department issued a Notice of Funding Availability announcing the availability of funds under the CDBG Program (the "NOFA"); and

WHEREAS, the State of California, Department of Housing and Community Development (Department) has issued an additional CDBG Coronavirus Response Round 1 (CDBG-CV1)

Notice of Funding Availability (NOFA) dated June 5, 2020, for Economic Development Business Assistance and Micro-Enterprise Assistance Programs with a focus on job retention; and

WHEREAS, in response to the 2019-2020 NOFA, the County of Placer will submit an application for an allocation of CDBG funds for public improvements in support of affordable housing new construction for lower income households; and

BE IT RESOLVED BY the Board of Supervisors of the County of Placer as follows:

SECTION 1:

The County Board of Supervisors has reviewed and hereby approves an application in the amount up to \$900,000 for the following CDBG activity, pursuant to the 2019-2020 CDBG NOFA and the 2020 CDBG-CV1 NOFA:

Economic Development Business Assistance Grant Application for \$500,000 from the 2020 CDBG NOFA to establish a business loan program; and

Economic Development Business Assistance Grant Application for \$382,171 from the 2020 CDBG-CV1 NOFA to establish a Microenterprise loan program.

SECTION 2:

The Board of Supervisors conducted a public hearing on July 28, 2020 and acknowledges compliance with state and federal public participation requirements in the development of this application.

SECTION 3:

There is no County match required under the 2019-2020 CDBG is NOFA.

SECTION 4:

The County hereby authorizes and directs the Community Development Resource Agency Director, or designee, to sign this application and act on the County's behalf in all matters pertaining to this application.

SECTION 5:

If the application is approved, the Community Development Resource Agency Director, or designee, is authorized to enter into and sign the grant agreement, and any subsequent amendments that do not affect the dollar amount or the term, with the State of California for the purposes of this grant.

SECTION 6:

The Board of Supervisors hereby authorizes and directs that if the application is approved, the Community Development Resource Agency Director, or designee, is authorized to sign Funds Requests and other required documents and reporting forms required for administration and implementation of the grant.

BE IT FURTHER RESOLVED BY the Board of Supervisors of the County of Placer that this resolution shall become effective immediately.

ATTACHMENT B

NOTICE OF PUBLIC HEARING PLACER COUNTY BOARD OF SUPERVISORS

WHERE: Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn, CA 95603

WHEN: July 28, 2020 – 9:00 AM or as soon thereafter as possible

SUBJECT: Public Meeting for discussion of Possible State CDBG Application

NOTICE IS HEREBY GIVEN that the Placer County Board of Supervisors will conduct a public hearing at the above place and time, or as soon thereafter as can be heard, in order to discuss possible applications for funding under the 2020 fiscal year's (July 1 to June 30) State Community Development Block Grant (CDBG-CV1) Program and to solicit citizen input on possible non-competitive activities to be included in the application.

The Community Development and Economic Development Allocations of the State CDBG-CV1 program published a "Notice of Funding Availability" (NOFA) on June 5, 2020. Eligible cities and counties may submit applications for CDBG-CV1 funds under the NOFA. The 2020 CDBG-CV1 maximum grant award for Placer County is \$382,171. Eligible activities under the above allocations in the CDBG-CV1 NOFA consist of the following: public services to respond to COVID-19 impacts; public facility improvements to increase capacity for healthcare facilities; public facility acquisition, provided the end use increases healthcare facility capacity; acquisition and/or improvement of housing facilities for persons experiencing homelessness; and economic development business assistance and microenterprise assistance focused on job retention.

Eligible activities paid for with State CDBG-CV1 funds must be expended within 12 months and must meet one or more of the three national objectives listed in CDBG federal statutes as follows: benefit to low income households or persons; elimination of slums and blight; or meeting urgent community development need. Housing and Economic Development programs on behalf of the County of Placer anticipate submitting an application under the NOFA published during this program year.

The County of Placer has or anticipates receiving approximately \$50,000 in CDBG Program Income that must be expended prior to expending awarded grant funds. The purpose of this public hearing is to give citizens an opportunity to make their comments known regarding what types of eligible activities the County of Placer should apply for under the State CDBG-CV1 program. A separate public hearing will be held to discuss and approve any applications for State CDBG program funding prior to submittal to the State.

The purpose of the public hearing is to give citizens an opportunity to make their comments known on the proposed activity/application.

Accommodations for disabled or non-English speaking residents will be made available upon advance request; please contact the Clerk of the Board at (530) 886-4020.

You may direct written comments to the Clerk of the Board of Supervisors, 175 Fulweiler Avenue, Auburn, CA 95603, or you may telephone the Clerk of the Board at (530) 886-4020. In addition, information is available for review by calling the Clerk of the Board between the hours of 8:00 a.m. and 5:00 p.m. on Monday through Friday.

Interested persons are invited to attend the hearing telephonically through the means provided on the meeting agenda, found at <https://www.placer.ca.gov/6322/2020>. All letters, written materials, studies or reports, in excess of one (1) page should be delivered to the Clerk of the Board, 175

Fulweiler Avenue, Auburn, CA 95603, at least 24 hours or (1) business working day prior to the beginning of the meeting.

The Community Development Resource Agency contact for this project, Shawna Purvines, can be reached at (530) 745-3031 or spurvines@placer.ca.gov.

BOARD OF SUPERVISORS

Clerk of the Board, Megan Wood

Community Development Resource Agency Staff: Shawna Purvines

By: Administrative Secretary, Rachel McGuigan