

## **City of Watsonville Substantial Amendments to the 2015-19 Consolidated Plan and 2019-20 Annual Action Plan**

The following is a summary and draft language that amends the 2015-19 Consolidated Plan and 2019-20 Annual Action Plan.

### **Background**

The City of Watsonville's federal Consolidated Plan details the funding strategy for the Community Development Block Grant (CDBG for the period between 2015 and 2019. The Annual Action Plan details each year within the 5-year Consolidated Plan and outlines the implementation of annual funding, which is developed through significant public input, analyses, and planning.

On March 27<sup>th</sup>, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES) to support preparation for and response to the community impacts of the COVID-19 pandemic and identified additional funding for the City of Watsonville through its Community Development Block Grant (CDBG) Program. The City anticipates receiving an additional \$443,984 in CDBG dollars. Additionally, the City will also be re-allocating up to \$100,000 from its 2019 allocation to combat this crisis.

The City's Citizen Participation Plan (CPP) describes the efforts that the City will take to encourage its residents to participate in developing these plans. It also provides requirements for public process when a "substantial amendment" to the Annual Action Plan is proposed. The following changes constitute a substantial amendment and require public notice as described in the CPP:

- A 25% change in the amount allocated to a category of funding
- A significant change to an activity's proposed beneficiaries or persons served
- Funding of a new activity not previously described in the Action Plan.

However, due to COVID-19, the United States Department of Housing and Urban Development (HUD) has issued guidance that waives the Citizen Participation Plan requirements for entitlement recipients, provided that (1) no fewer than five days are provided for public comment and that (2) reasonable notice and the opportunity to comment is provided. Additionally, HUD has awarded supplemental funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that requires programming in the 2019-20 Annual Action Plan.

### **Proposed Substantial Amendments**

The City is proposing the following activities as an amendment to the 2019-2020 Annual Action Plan in order to reallocate current program funds from projects/activities that did not expend the projected funds within the fiscal year, as well as supplemental funding established by the CARES Act.

1. New activity: Subsistence Program for rent/mortgage payments
2. New activity: Food Distribution Program
3. HVAC Project (cancel project)

### **Public Process**

The City of Watsonville is providing notice of a five-day public comment period as part of the HUD public participation exemption process from April 24, 2020 and ending April 28, 2020. Additionally, one public hearing will be held to provide opportunities for public comment:

- April 28, 2020 - City Council consideration of Substantial Amendments adoption, 6:30pm, Virtual Meeting,

Comments may also be provided to Angela Paz by email ([angela.paz@cityofwatsonville.org](mailto:angela.paz@cityofwatsonville.org)), phone (831) 768-3082, or in writing addressed to:

City of Watsonville  
 Attn: Angela Paz  
 250 Main Street  
 Watsonville, CA 95706

The following changes will be made to the section AP-38 Project Summary in the approved 2019-2020 Annual Action Plan, as follows (**additions** or **deletions**):

AP-38 Projects Summary  
 Project Summary Information  
 Table 1 – Project Summary

<b>3</b>	<b>Project Name</b>	Micro-enterprise Business Technical Assistance
	<b>Target Area</b>	
	<b>Goals Supported</b>	Economic Development
	<b>Needs Addressed</b>	Economic Development
	<b>Funding</b>	CDBG: <del>\$40,000</del> up to \$200,000
	<b>Description</b>	In order to strengthen local entrepreneurship in Watsonville, the City will provide funds to a non-profit to manage the Plaza Vigil Business Incubator program that focus on providing micro enterprise technical assistance. The activity will also provide funding for the Incubator Without Walls program which provides business training and technical assistance to Watsonville business startups and entrepreneurs. The technical assistance will be provide to low income persons who self-certify their income falls below 80% AMI and that their business has less than 5 total persons. The activity will fall under 18C-ED Micro-Enterprise and will accomplish LMCMC National Objective.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	50 business will receive technical assistance

	<b>Location Description</b>	23 E Beach Street, Watsonville, CA 95076
	<b>Planned Activities</b>	Sub-recipient grant to El Pajaro Community Development Corporation, a non-profit organization, for providing micro-enterprise business technical assistance and general technical assistance to small businesses. The Programs to be funded will be the Business Incubator Program and the Incubator Without Walls program
7	<b>Project Name</b>	<del>Contingency Ramsay Park Family Center Improvements</del> <u>Cancel Project</u>
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Facilities
	<b>Needs Addressed</b>	Public Facilities
	<b>Funding</b>	\$100,000
	<b>Description</b>	<del>Install two new HVAC'S and other improvements.</del>
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 16,382 of low-mod income persons utilize the facility
	<b>Location Description</b>	<del>1301 Main Street, Watsonville, CA 95076</del>
	<b>Planned Activities</b>	

10	<b>Project Name</b>	Subsistence Payment Program (Rent Relief)
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	Up to \$513,984
	<b>Description</b>	Rent/Mortgage payments for no more than 90 days to low income households who have been affected by COVID-19.
	<b>Target Date</b>	9/30/20

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Up to 100 low income households
	<b>Location Description</b>	N/A
	<b>Planned Activities</b>	Rent/Mortgage payments for no more than 90 days to low income households who have been affected by COVID-19.

11	<b>Project Name</b>	Food Distribution Program
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	Public Service
	<b>Needs Addressed</b>	Public Service
	<b>Funding</b>	Up to \$513,984
	<b>Description</b>	Food distribution to low income households who have been affected by COVID-19.
	<b>Target Date</b>	9/30/20
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Up to 500 low income households
	<b>Location Description</b>	N/A
	<b>Planned Activities</b>	Food distribution to low income households who have been affected by COVID-19.