

**State of California 2015-2020  
Federal Consolidated Plan  
2019-2020 Annual Action Plan  
Fourth Amendment**



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# State of California 2019-2020 Annual Action Plan Fourth Amendment

The following amendment language will be added to the 2019-2020 Annual Action Plan to:

- 1. Make the CDBG-CV2 Allocation used to support California's Homekey Program available through December 31, 2021.**
- 2. Allow the state to utilize waivers in HUD notice [CPD 21-05](#), released on April 14, 2021 announcing additional flexibility for recipients and subrecipients administering rapid re-housing (RRH) assistance with Emergency Solutions Grant Program funds provided under the CARES Act (ESG-CV funds).**

**The full text of the 2015-2020 Consolidated Plan and 2019-2020 CARES Act Substantial Amendment may be found at: <https://www.hcd.ca.gov/policy-research/plans-reports/index.shtml#conplan>.**

The 2019-2020 Annual Action Plan (AP) is being amended as follows:

## **AP-30 Methods of Distribution – 91.320(d)&(k)**

### **Community Development Block Grant CARES Act Stimulus Program (CDBG-CV2)**

**CDBG-CV2 funding will be distributed in a two-part allocation. These parts reflect the differences in resources available to entitlement and non-entitlement communities. No more than seven percent of CDBG-CV1 and 2 funding will be used to provide administration and technical assistance at the state level. These administrative funds will be deducted from the total funding available for local assistance.**

#### **Part 1**

Approximately 45 percent of the CDBG-CV2 funding will be used to support California's Homekey Program. The Homekey Program uses Coronavirus Relief Funding from the CARES Act to allow for acquisition of properties to be used for housing for persons experiencing homelessness. The CDBG-CV2 Homekey funding will be available statewide for both entitlement and non-entitlement communities. The use of these funds would be limited to Homekey unit acquisition and

rehabilitation costs and off-site infrastructure construction, when necessary to support Homekey units. The CDBG-CV2 funding for Homekey will use the Homekey NOFA and application responses to identify projects that fit CDBG-CV2 funding. The CDBG-CV2 Homekey funds will not have a separate NOFA but may have a supplementary application. Projects will be selected from the Homekey wait list.

~~Funding would be available through June 30, 2021, at which point any remaining Homekey funds left unencumbered would be allocated as per the formula in Part 2 below.~~

Funding will be available through December 31, 2021, at which point any remaining Homekey funds left unencumbered would be allocated as per the formula in Part 2 below.

*(To see the remainder of the CDBG-CV 2 AP-30 Method of Distribution, please refer to the **CARES Act** State of California Draft 2019-2020 Annual Action Plan Second Substantial Amendment on the HCD plans and reports page*

*<https://www.hcd.ca.gov/policy-research/plans-reports/index.shtml#conplan.>)*

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again:**

The language in the next paragraph is being added to the 2019-2020 Annual Action Plan. Please see prior 2019-2020 Annual Action Plan CARES Act amendments on HCD's Plans and Reports page for the remainder of the language from prior amendments. <https://www.hcd.ca.gov/policy-research/plans-reports/index.shtml#conplan>

HUD has provided additional flexibility for administering rapid re-housing (RRH) assistance with Emergency Solutions Grants Program funds provided under the CARES Act (ESG-CV funds). In a Notice provided by HUD on April 14, 2021, ESG-CV funds can be used for short- and medium-term rental assistance and housing relocation and stabilization services for individuals and families who are residing in housing and receiving time-limited subsidies funded by another source and who met the definition of "homeless" prior to entering that housing and whose subsidy is within 30 days of expiring. Additionally, it allows for the use of housing inspections conducted by other providers indicating that the housing is safe and sanitary instead of having to conduct their own habitability inspections prior to providing RRH assistance funded by ESG-CV.

The waiver is intended to help individuals and families whose time-limited rental assistance will be ending, and who are not able to afford housing at the end of the assistance and would lose their housing without continued assistance. These waivers will ensure individuals and families currently receiving time-limited rental assistance funded through other sources will not lose their housing during the coronavirus pandemic and the subsequent economic downturn. These waivers will reduce the spread and harm of COVID-19 by enabling households to continue to social distance, isolate, or quarantine in their housing.