

Implementing the Coronavirus Aid, Relief, and Economic Security Act Across Los Angeles County

On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Among its provisions, the CARES Act appropriated \$2 ~~\$5~~ billion in supplemental Community Development Block Grant (CDBG) and \$4 billion in Emergency Solutions Grant (ESG) funding. CDBG funding will be disbursed in two parts, the first in late April, and the second on a rolling basis, by the United States Department of Housing and Urban Development (HUD).

CDBG and ESG funding serve the most vulnerable of the County of Los Angeles' (County) population, and these supplemental funds will assist those most threatened by the novel coronavirus (COVID-19). It is imperative that the Los Angeles County Development Authority (LACDA), which acts as the agent of the County in administering the CDBG program, immediately operationalize the disbursement of these funds, as well as, any CARES Act funds allocated in the future (collectively, CARES Act Funds).

The County will initially receive \$13,668,315 in additional CDBG funding by late April through the CARES Act. Of this amount, \$2,733,663 will be used for LACDA administration. A total of \$5,562,306 will be allocated among the 48 participating cities, and \$5,372,346 will be allocated to the five (5) Supervisorial Districts for projects in the unincorporated areas of the County. Projects to address COVID-19 needs will be

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MOTION

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implemented by LACDA and its partner agencies to benefit residents who are at the low- and moderate- income levels.

The County will also initially receive \$6,605,000 in ESG funding through the CARES Act, ~~of which, \$6,340,800 will be allocated to the Los Angeles Homeless Services Authority (LAHSA) through LACDA, and \$264,200 will be used for LACDA administration.~~ These funds will be utilized for projects specifically to assist persons who are homeless.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Find that the Coronavirus Aid, Relief, and Economic Security Act funds (CARES Act Funds) received by the County of Los Angeles (County) are not subject to the provisions of the California Environmental Quality Act (CEQA) because it is not defined as a project;
2. Approve receipt of the CARES Act Funds consisting of Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) in the amount of \$20,273,315, and any future allocated CARES Act Funds from any other program source when allocated to the County; and
3. Designate the Los Angeles County Development Authority (LACDA) to serve as the agent of the County for administration of the CARES Act Funds and authorize the transfer of these allocated and future funds to LACDA by the County;
4. Direct the Chief Executive Officer (CEO), or her designee within the Homeless Initiative, to coordinate with the Acting Executive Director of LACDA on the expenditure of the ESG funds and report back to the Board of Supervisors in writing within 30 days with their recommendations; and
5. Direct the CEO to work with the Director of the Department of Consumer and Business Affairs, Acting Executive Director of LACDA and other partners to report back on the feasibility of using current or future ESG, CDBG, California Building Homes and Jobs Act (SB-2) or other funding to support preventing people from becoming homeless

through the County's Eviction Defense Program or for rental assistance for people facing eviction.

I FURTHER MOVE THAT THE BOARD OF SUPERVISORS, ACTING AS THE BOARD OF COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:

1. Find that the acceptance of CARES Act Funds from the County is not subject to the provisions of CEQA because it is not defined as a project;
2. Accept LACDA's designation to serve as the agent of the County for the administration of the CARES Act Funds;
3. ~~Accept from the County any~~ the CARES Act Funds CDBG funds in the amount of \$13,668,315 and ESG funds in the amount of \$6,605,000, allocated to the County and incorporate into the current and future fiscal year budgets;
4. Designate the Acting Executive Director, or his designee, as the official responsible for completing all required actions to be taken by LACDA to administer the allocated CARES Act Funds described herein;
5. Approve the use of CARES Act CDBG funds in the amount of \$13,668,315 and ESG funds in the amount of \$6,605,000, and any future allocated CARES Act Funds;
6. Direct the Acting Executive Director, or his designee, to coordinate with the Chief Executive Officer, or her designee within the Homeless Initiative, on the expenditure of the ESG funds and report back to the Board of Supervisors in writing within 30 days with their recommendations;
7. Direct the Acting Executive Director, or his designee, to work with the CEO, Director of the Department of Consumer and Business Affairs, and other partners to report back on the feasibility of using current or future ESG, CDBG, California Building Homes and Jobs Act (SB-2) or

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other funding to support preventing people from becoming homeless through the County's Eviction Defense Program or for rental assistance for people facing eviction;

8. Approve the use of \$2,733,663 in CARES Act CDBG funds and ~~\$264,200~~ \$660,500 in ESG funds for LACDA administration, and approve the use of any future allocated CARES Act Funds for LACDA administration, as allowed by the United States Department of Housing and Urban Development (HUD) regulations;
9. Authorize the Acting Executive Director, or his designee, in administration of these CARES Act Funds to: (a) execute ~~CDBG~~ Reimbursable and Advance Contracts, following approval as to form by County Counsel, for participating cities, community-based organizations and other public agencies to allocate CARES Act Funds in any fiscal year; and (b) execute any necessary non-monetary and monetary amendments, following approval as to form by County Counsel;
10. ~~Approve the use of CARES Act ESG funds in the amount of \$6,605,000.; and authorize the Acting Executive Director, or his designee, to: (a) execute an agreement with Los Angeles Homeless Services Authority (LAHSA) for \$6,340,000; and approve the use of future CARES Act Funds, and (b) execute any necessary amendments with LAHSA to fund programs that assist persons who are experiencing homelessness using such CARES Act Funds;~~
11. Authorize the Acting Executive Director, or his designee, within the limits prescribed by HUD, to reprogram CARES Act Funds to fully expend the grants for the purposes described in the CARES Act; and instruct the Acting Executive Director, or his designee, to identify and deposit into unprogrammed fund accounts of the respective Supervisorial Districts, all CARES Act Funds that are unexpended,

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disallowed, or recovered as a result of full or partial ~~CDBG~~ Reimbursable or Advance Contract terminations;

12. Authorize the Acting Executive Director, or his designee, to amend the ~~CARES Act~~ Reimbursable or Advance Contracts utilizing CARES Act Funds from time to time, as necessary, to address the cancellation and/or inclusion of off-cycle projects, as well as, any necessary non-monetary and monetary amendments to projects being undertaken by the County, participating cities, and recipient agencies during FY 2019-2020 or in the future, and to include federal regulatory changes, additional funds, and new HUD directives;
13. Authorize the Acting Executive Director, or his designee, in consultation with the Supervisorial Districts, to terminate ~~CDBG~~ Reimbursable and Advance Contracts utilizing CARES Act Funds when the operating agencies fail to address administrative deficiencies, ~~CDBG~~ program compliance issues, or other contract obligations; and authorize the Acting Executive Director, or his designee, to take all related actions, including execution of any necessary documents, to effect such terminations, following approval as to form by County Counsel; and
14. Authorize the Acting Executive Director, or his designee, to enter into agreements with Los Angeles Urban County participating cities or other entitlement cities to provide administrative and oversight of their CARES Act programs, including procurement, contracting for, and carrying out projects within these jurisdictions.

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