

RESOLUTION 2021-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AMENDING RESOLUTION 2020-43 AUTHORIZING A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF HOLLISTER AND SAN BENITO COUNTY TO ADMINISTER A FEDERALLY FUNDED RENTAL ASSISTANCE AND UTILITY ASSISTANCE PROGRAM BY REMOVING RENTAL ASSISTANCE AS IT IS NO LONGER AN ELIGIBLE PROJECT, AND CHANGING THIS PROGRAM TO SUBSISTENCE PAYMENTS FOR UTILITY ASSISTANCE FOR ITS LOW-INCOME RESIDENTS

WHEREAS, the federal government delegated a portion of its CARES Act relief funds to its various departments, and the Department of Housing and Urban Development ("HUD") received a generous allocation as part of its Community Development Block Grant program, referred to as "CDBG-CV1"; and

WHEREAS, typically the City of San Bautista, being a city with a population below 50,000 residents, has to compete for CDBG funds through a program administered by the State Department of Housing and Community Development ("HCD"), but due to the State of Emergency caused by the pandemic, HCD has allocated \$63,558 to the city; and

WHEREAS, seventeen percent of the funds (\$10,805) can be used to administer this grant, most larger cities have experienced staff already practicing the federal administrative procedures and processes dictated by the CDBG regulations, but even with this contribution, the City does not have the capacity to efficiently administer this CDBG program; and

WHEREAS, HCD recommends that smaller jurisdictions partner with larger jurisdiction to make efficient use of the funds and to assure compliance with the federal regulations, and requires applications to be received no later than August 31, 2020; and

WHEREAS, the City has sent a delegate to represent its interest in this regard to participate as a member of the County's Community Action Committee, so it makes sense that the City partner with the County and work together on a program that benefits both; and

WHEREAS, the City locally published a hearing notice for a joint community public hearing, staff represented the City with the City of Hollister and the County present on Thursday, August 6th, 2020, and at that hearing several ideas for the use of the CDBG-CV1 funds were considered, and the use of the funds for tenant and utility assistance to low-income residents received support from those that participated; and

WHEREAS, the staff of the City, City of Hollister and the County have drafted a memorandum of understanding for each elected body to consider, and staff is proposing that the "MOU" be agreed upon, authorizing the County to administer the CDBG -CV1 grant on behalf of the City (\$63,558), that the administrative costs allowed by the Grant (\$10,805) would pay for County staff to work in San Juan Bautista promoting the program and assuring that City residents receive the benefits intended for them (a net benefit of \$52,750); and

WHEREAS, subsequent federal CDBG funding for rental assistance has been received by the State, making the use of the CDBG funds for this purpose ineligible, causing the cities of Hollister and the County to amend its CDBG -CV1 funds and MOU for subsistence utility assistance; and

WHEREAS, the deadline to submit this change of use for the CDBG-CV1 funds is April 16, 2021.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL AS FOLLOWS:

SECTION 1. That the above recitals are true and correct.

SECTION 2. The City Council of the City of San Juan Bautista, hereby agrees with the amended terms and conditions in the MOU attached hereto by reference, to administer a subsistence payment for utility assistance program with this CDBG-CV1 allocation.

SECTION 3. The City Council directs and authorizes the City Manager to prepare and execute the amended MOU in time for the April 16, 2021 deadline.

PASSED, APPROVED AND ADOPTED this 13th day of April, 2021, by the following vote:


AYES: Jordan, Edge, Flores, Freeman, Freels

NOES: None


ABSENT: None

ABSTAIN: None

ATTESTED:



Trish Paetz, Deputy City Clerk



Leslie Q. Jordan, Mayor