

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING A SUBSTANTIAL AMENDMENT TO THE CITY'S 2018-2022 CONSOLIDATED PLAN AND FY 2019 ACTION PLAN TO INCLUDE THE AVAILABILITY AND PLANNED USE OF \$564,276.00 IN COMMUNITY DEVELOPMENT BLOCK GRANT – CORONAVIRUS (CDBG-CV) FUNDING TO PREVENT, PREPARE FOR, AND RESPOND TO CORONAVIRUS; AND APPROVING AND AUTHORIZING THE CITY MANAGER TO: (1) RECAPTURE \$3,596.02 IN COMMUNITY DEVELOPMENT BLOCKGRANT (CDBG) FUNDS, PREVIOUSLY ALLOCATED TO PUBLIC SERVICES FOR THE FY 2018 ACTION PLAN, AND REALLOCATE SAID FUNDS TO THE GROCERY PROGRAM; (2) RECAPTURE \$151,481.89 IN CDBG FUNDS, PREVIOUSLY ALLOCATED TO THE CORAL APARTMENTS (795 81ST ST) REHABILITATION PROJECT FOR THE FY 2019 ACTION PLAN, AND REALLOCATE SAID FUNDS TO THE MADELEINE VILLAGE SEAWALL REHABILITATION PROJECT; (3) RECAPTURE \$10,000.00 IN CDBG FUNDS, PREVIOUSLY ALLOCATED TO PROGRAM ADMINISTRATION FOR THE FY 2019 ACTION PLAN, AND REALLOCATE SAID FUNDS TO THE GROCERY ASSISTANCE PROGRAM; (4) RECAPTURE \$181,237.00 IN HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM FUNDS, PREVIOUSLY ALLOCATED TO THE CORAL APARTMENTS PROJECT FOR THE FY 2019 ACTION PLAN, AND REALLOCATE SAID FUNDS TO THE MADELEINE VILLAGE SEAWALL REHABILITATION; AND (5) RECAPTURE \$90,369.00 IN HOME PROGRAM FUNDS, PREVIOUSLY ALLOCATED TO HOMEOWNERSHIP ASSISTANCE FOR THE FY 2019 ACTION PLAN, AND REALLOCATE SAID FUNDS TO TENANT-BASED RENTAL ASSISTANCE; AND APPROVING A "SUBSTANTIAL AMENDMENT" TO THE FY 2018-22 CONSOLIDATED PLAN TO INCLUDE COMMUNITY DEVELOPMENT NEEDS AS A PRIORITY NEED, AND THE PROVISION OF PUBLIC FACILITIES AND INFRASTRUCTURE AND ECONOMIC DEVELOPMENT AS AN ASSOCIATED GOAL; AND AUTHORIZING THE CITY MANAGER TO: (1) EXECUTE ALL APPLICABLE DOCUMENTS RELATED TO THE APPROPRIATION AND ALLOCATION OF THESE PROGRAM FUNDS; (2) SUBMIT THE REQUISITE REVISED ACTION PLANS AND CONSOLIDATED PLAN; AND (3) SUBMIT A LETTER TO HUD REQUESTING USE OF AVAILABLE WAIVERS; AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AGREEMENTS FOR SUB-RECIPIENTS OF CDBG AND HOME PROGRAM FUNDS; AND FURTHER AUTHORIZING THE CITY MANAGER TO EXECUTE CITY INTERDEPARTMENTAL AGREEMENTS FOR RECIPIENTS OF CDBG AND HOME PROGRAM FUNDS.

WHEREAS, the City is an entitlement recipient of Federal formula HUD grant programs as follows: Community Development Block Grant (CDBG) funds, and HOME Investment Partnerships (HOME) funds; and

WHEREAS, the City expects to continue to receive entitlement funds from these grant programs to operate the City's housing and community development activities; and

WHEREAS, the *One-Year Action Plan* for Federal funds is a requirement under the U.S. Department of Housing and Urban Development (HUD) formula grant programs, including the CDBG and HOME Programs; and

WHEREAS, on April 2, 2020, HUD sent a letter to the City notifying of a special allocation of CDBG funds to be used to prevent, prepare for, and respond to coronavirus (COVID-19); and

WHEREAS, this allocation was authorized by the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act), which was signed by President Trump on March 27, 2020, to respond to the growing effects of the public health crisis; and

WHEREAS, the CARES Act has made available to the City \$564,276.00 in CDBG Coronavirus funds (CDBG-CV) and the Administration is amending the *2018-2022 Consolidated Plan* and *2019 Action Plan* to enable the City to receive and administer these new funds; and

WHEREAS, on April 9, 2020, HUD released a memo transmitting the *CARES Act Flexibilities for CDBG Funds Used to Support Coronavirus Response Guide*; and

WHEREAS, HUD has authorized the following key federal regulation waivers that benefit the City as a result of COVID-19: permitting grantees to use CDBG-CV grant funds to cover or reimburse costs to prevent, prepare for, and respond to coronavirus regardless of the date on which such costs were incurred; eliminating the 15 percent cap on the amount of grant funds that can be used for public services activities for CDBG-CV and CDBG FY 2019 and FY 2020 funds; and allowing grantees to amend citizen participation plans to establish expedited procedures to include notice and reasonable opportunity to comment of at least 5 days; and

WHEREAS, on April 10, 2020, HUD released a memo notifying the availability of waivers and suspensions for the HOME program requirements in response to the COVID-19 pandemic; and

WHEREAS, the waivers include: increased cap on program administration expenses from 10% to 25% for FY 2019 & FY 2020; suspension of the 15% Community Housing Development Organization (CHDO) set-aside requirement for FYs 2017 through 2020; waiver of the match requirement for funds in a Major Disaster area between 10/1/2019 and 9/30/2021; allowance of self-certification of income, provided that on-site rent and income reviews are conducted within 90 days after the waiver period; waiver of on-site inspection requirements; elimination of the requirement to include an analysis of local market conditions before implementing a Tenant-Based Rental Assistance (TBRA) program; allowance of the immediate provision of TBRA without assessing rent reasonableness; allowance of payments up to 100% of rent, security deposit, and utilities until 12/31/2020; suspension of the requirement to have written tenant selection criteria until 12/31/2020; and extension of the HOME 4-year project completion deadline; and

WHEREAS, the Administration will submit a letter to HUD notifying and requesting use of these waivers; and

WHEREAS, the CDBG-CV recommendations are incorporated into the amended FY 2019 *One-Year Action Plan* as follows: \$214,634.00 for rent and mortgage assistance; \$25,000.00 for COVID-19 testing for the elderly; \$40,000.00 for emergency food assistance; and \$200,000.00 for small business assistance; and \$84,641.00 for administrative allowance; and

WHEREAS, the Administration recommends that the following CDBG funds be recaptured and reallocated for use in response to the COVID-19 pandemic as follows:

- \$3,596.02 in CDBG FY 2018 funds, previously allocated for public services, to be reallocated to the grocery assistance program; and
- \$10,000.00 in CDBG FY 2019 funds, previously allocated for program administration, to be reallocated to the grocery assistance program; and

WHEREAS, the Administration had initially recommended that \$58,067.70 of HOME FY 2019 funds, previously allocated for homeowner assistance, be reallocated to the Tenant-Based Rental Assistance program; however, during the May 8, 2020 Special City Commission meeting, the Mayor and City Commission directed the Administration to prioritize funds for qualified households in need of rental assistance; and

WHEREAS, based on the direction of the City Commission, the Administration recommends that \$90,369.00, instead of the \$58,067.70, in HOME FY 2019 funds be reallocated to the Tenant-Based Rental Assistance program; and

WHEREAS, in order to receive and allocate these funds as recommended, the *2019 Action Plan* and corresponding *2018-2022 Consolidated Plan* will need to be amended to include of Community Development Needs as a Priority Need and the Provision of Economic Development and Public Facilities and Infrastructure assistance as an Associated Goal, and Tenant-Based Rental Assistance as a goal utilizing HOME funds; and

WHEREAS, as part of this amendment, the City has also revised the Citizen Participation Plan to include the 5-day comment period as indicated above and now authorized by HUD; and

WHEREAS, the City continues to have unfunded capital needs for the rehabilitation of the seawall at the Madeleine Village Apartments, a 16-unit affordable housing property located at 7861-7871 Crespi Blvd; and

WHEREAS, this project was previously awarded \$505,463.93, however, this amount is insufficient as the total estimated project cost is \$838,182.82; and

WHEREAS, the City has allocated \$650,881.89 in CDBG and HOME funds to the rehabilitation of the recently acquired Coral Apartments, located at 795 81st St.; however, it has been determined that this amount is in excess of the 50% FEMA threshold based on the most recent property appraisal; and

WHEREAS, if more than 50% of the Coral Apartments is rehabilitated, FEMA regulations would require that the habitable first floor level of the Coral Apartments be raised above the flood elevation of nine (9) feet (NGVD), which would not be feasible; and

WHEREAS, therefore, the Administration would like to reallocate the funds in excess of the 50% threshold from the Coral Apartments project to fill the funding gap for the Madeleine Village Seawall as delineated below:

- Reallocate \$181,237.00 from HOME FY 2019 funds, previously allocated to the Coral Apartments, to the Madeleine Village Seawall rehabilitation; and
- Reallocate \$151,481.89 from CDBG FY 2019 funds, previously allocated to the Coral Apartments, to the Madeleine Village Seawall rehabilitation; and

WHEREAS, the City advertised a Notice of Public hearing and Public 5-day Comment Period (March 2, 2020 – April 2, 2020) for community development needs and the Analysis of Impediments to Fair Housing Choice (AI) with a public hearing was held on March 17, 2020; and

WHEREAS, in accordance with applicable waiver made available through the CARES Act, the City advertised a Notice of a 5-day Public Comment Period (May 4, 2020 – May 8, 2020) for a Substantial Amendment to the 2018-2022 Consolidated Plan & FY 2019 Action Plan and Amendment to the Citizen Participation Plan; and

WHEREAS, public comments received will be included in the submission of the action Plan to HUD for final review and approval; and

WHEREAS, the City Manager is the HUD-designated agent for all formula grants, and executes the grant applications, agreements, and other applicable HUD documents on behalf of the City.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve a substantial amendment to the City's 2018-2022 Consolidated Plan and FY 2019 Action Plan to include the availability and planned use of \$564,276.00 in Community Development Block Grant – Coronavirus (CDBG-CV) funding to prevent, prepare for, and respond to Coronavirus; and approve and authorize the City Manager to: (1) recapture \$3,596.02 in Community Development Block Grant (CDBG) funds, previously allocated to public services for the FY 2018 Action Plan, and reallocate said funds to the grocery program; (2) recapture \$151,481.89 in CDBG funds, previously allocated to the Coral Apartments (795 81st St.) rehabilitation project for the FY 2019 Action Plan, and reallocate said funds to the Madeleine Village Seawall rehabilitation project; (3) recapture \$10,000.00 in CDBG funds, previously allocated to program administration for the FY 2019 Action Plan, and reallocate said funds to the grocery assistance program; (4) recapture \$181,237.00 in Home Investment Partnerships (HOME) program funds, previously allocated to the Coral Apartments for the FY 2019 Action Plan, and reallocate said funds to the Madeleine Village Seawall Rehabilitation; and (5) recapture \$90,369.00 in HOME program funds, previously allocated to homeownership assistance for the FY 2019 Action Plan, and reallocate said funds to tenant-based rental assistance; and approve a "Substantial Amendment" to the FY 2018-22 Consolidated Plan to include community development needs as a priority need, and the provision of public facilities and infrastructure and economic development as an associated goal; and authorize the City Manager to: (1) execute all applicable documents related to the appropriation and allocation of these program funds; (2) submit the requisite revised Action Plans and Consolidated Plan; and (3) submit a letter to HUD requesting use of available waivers; and authorize the Mayor and City Clerk to execute agreements for sub-recipients of CDBG and HOME program funds; and further authorize the City Manager to execute City interdepartmental agreements for recipients of CDBG and HOME program funds.

PASSED AND ADOPTED this _____ day of _____, 2020.

ATTEST:

Dan Gelber, Mayor

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney

5/11/2020
Date