



April 27, 2021

RE: 2018 CDBG DR MFH Grant

Dear Lake County Board of Supervisors:

The California Department of Housing and Community Development has allocated funding to the City of Lakeport and the County of Lake under the 2018 CDBG DR MFH Grant. HUD provides flexible grants to help cities, counties, and States recover from Presidentially declared disasters, especially in low-income areas, subject to availability of supplemental appropriations. In response to Presidentially declared disasters, Congress may appropriate additional funding for the Community Development Block Grant (CDBG) Program as Disaster Recovery grants to rebuild the affected areas and provide crucial seed money to start the recovery process. Since CDBG Disaster Recovery (CDBG-DR) assistance may fund a broad range of recovery activities, HUD funding may be able to help communities and neighborhoods that otherwise might not recover due to limited resources.

On March 15<sup>th</sup> the City of Lakeport submitted to CDBG the required Due Diligence making the City eligible for our allocation. The City of Lakeport allocation of funding for the grant is \$2,433,284. The 2018 CDBG DR MFH Grant can be used to fund 40% of a selected project.

Over the past several the City has been approached by multiple developers interested in a variety of housing projects which could address low-income family, senior and even market rate housing needs. The City is currently working on developing the RFP which will officially solicitate projects for selection in accordance with this grant's requirements.

Grant allocation amounts, for which eligible projects are not applied for by the local jurisdiction, will be reallocated to jurisdictions submitting eligible projects. Of the public entities included in the allocated amount approximately 96% of the funding is for jurisdictions that are outside of Lake County.

The City is requesting the County to authorize HCD to shift its allocation of \$7,594,201 to the City of Lakeport to be used for potential projects. Any funds that are not applied for with eligible projects by the City would then be allocated to the other public entities after all applications are reviewed by HCD.

Sincerely,

Kevin M. Ingram  
City Manager