



Legislation Details (With Text)

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Title: Authorizing the City to transfer a total of \$2,000,000 in CDBG and CDBG-CV funds to a specific account for the Saint Paul Homeowner Stability Mortgage Assistance Program, a COVID-related activity.

Sponsors: Amy Brendmoen, Chris Tolbert

Indexes:

Code sections:

Attachments: 1. Financial Analysis

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------|---------|--------|
| 9/17/2021 | 1 | Mayor's Office | Signed | |
| 9/15/2021 | 1 | City Council | Adopted | Pass |

Authorizing the City to transfer a total of \$2,000,000 in CDBG and CDBG-CV funds to a specific account for the Saint Paul Homeowner Stability Mortgage Assistance Program, a COVID-related activity.

WHEREAS, the City of Saint Paul (City) is an entitlement grantee that receives direct funding from the United States Department of Housing and Urban Development (HUD) for the Community Development Block Grant Program (CDBG); and

WHEREAS, on March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which authorized a variety of programs to address issues related to the COVID-19 public health emergency; and

WHEREAS, the City, as a CDBG entitlement grantee, was awarded special allocations of CDBG-CV funds through the CARES Act and HUD to prevent, prepare for, and respond to the COVID-19 public health emergency; and

WHEREAS, the CARES Act authorized HUD to exercise flexibilities with respect to the use of CDBG-CV grants and 2019 and 2020 CDBG grants; and

WHEREAS, pursuant to the CARES Act, these CDBG and CDBG-CV funds must meet all CDBG requirements, unless specifically waived by HUD, and must be used to prevent, prepare for, and/or respond to COVID-19 public health emergency; and

WHEREAS, On March 18, 2020, the U.S Department of Housing and Urban Development (HUD) authorized the Federal Housing Administration (FHA) to implement an immediate foreclosure and evictions moratorium for single family homeowners with FHA-insured mortgages; and

WHEREAS, On July 31, 2021, the Federal Foreclosure Moratorium expired, allowing lenders/mortgage servicers to begin foreclosure proceedings on borrowers who are past due on mortgage payments; and

WHEREAS, while certain eviction protections will continue through September 30, 2021 that provide families

who need to seek alternative housing additional time to do so, many lenders/mortgage servicers will not pause foreclosure proceedings; and

WHEREAS, the City has identified the Homeowner Stability Mortgage Assistance Program for a total allocation of \$2,000,000 in CDBG and CDBG-CV funds to address foreclosure and eviction issues stemming from the COVID-19 public health emergency, which is consistent with CDBG and CDBG-CV program requirements; and

WHEREAS, pursuant to Section 10.07.4 of the Saint Paul City Charter, the Mayor recommends the transfer of unencumbered CDBG and CDBG-CV funds to the project activity code as articulated in the attached financial analysis; now, therefore, be it

RESOLVED, that the Saint Paul City Council does hereby authorize the transfer of a total of \$2,000,000 in CDBG and CDBG-CV funds for the Homeowner Stability Mortgage Assistance Program as articulated in the attached financial analysis.