

**City of Sanford**  
**Community Development Block Grant**  
**Draft**

**2015-2019 Five-Year Consolidated Plan and 2019-2020 Annual Action Plan**  
**Substantial Amendment- COVID-19 Response**

The following is a summary and draft language that amends the 2015-2019 Five-Year Consolidated Plan and 2019/2020 Annual Action Plan (Amendment #1.)

The City of Sanford is a recognized Entitlement Entity under HUD and is listed to receive an award of CDBG funds to allocate towards activities focused on COVID-19. The City of Sanford will be accepting proposals through a Request for Qualifications/Request for Proposals process to meet an identified urgent need due to COVID-19. Information about that process will be posted on the City's website.

**Background**

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, was signed, providing \$5 billion for CDBG to rapidly respond to COVID-19 and the economic and housing impacts caused by this unprecedented crisis. The Act also provided \$4billion for the ESG to prevent, prepare for, and respond to the coronavirus pandemic (COVID19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.

The City of Sanford 2015-2019 Consolidated Plan details the funding strategy for the Community Development Block Grant (CDBG), for the period between program years 2015 and 2019. The Annual Action Plan details each year within the 5-year Consolidated Plan and outlines the implementation of annual funding. Each plan is developed through public input, analyses, and planning.

The City's Citizen Participation Plan describes the efforts The City of Sanford will take to encourage residents to participate in developing these plans. It also provides requirements for public process when a "substantial amendment" to the Annual Action Plan is proposed. The following changes constitute a substantial amendment and require public notice as described in the citizen participation plan.

- 1) The addition to an activity not previously described in the Action Plan.
- 2) An increase or decrease in funding exceeding 25% for CDBG projects or activities which is the result of events or actions other than those pertaining to the procurement standards of 24 CFR 85.36. (This does not include a budgetary change in a Direct Benefit or other project where a service or other benefit is available as long as funds are available.)

- 3) If changes to a geographical area which is outside of and not contiguous to the previously designated target area or described location for the activity in the Consolidated Plan so that 75% or more of the intended beneficiaries are no longer able to benefit from the project.

Due to COVID-19, the United States Department of Housing and Urban Development (HUD) issued guidance waving the Citizen Participation Plan requirements for entitlement recipients, provided (1) no fewer than five days are provided for public comment and (2) reasonable notice and the opportunity to comment is given.

Additionally, HUD awarded supplemental funding through the CARES Act that requires programming in the 2019-2020 Annual Action Plan. Substantial Amendments are necessary to program the supplemental funding and reallocate FY 2014-2015 CDBG funds for additional economic development initiatives to respond to COVID-19.

### **Proposed Substantial Amendments**

The proposed amendments are as follows:

1. Allocating \$100,000 of CARES Act funding for economic development
2. Allocating \$50,000 of CARES Act funding services, supplies, materials, and PPE to assist the unsheltered homeless.
3. Allocating \$88,691 of CARES Act funding for food security, PPE materials and supplies for low and moderate income workers
4. Allocating \$59,677 for administration and planning

### **CDBG-CV - \$100,000**

CDBG - CV Funds may be used for Economic Development activities to:

- Prevent job loss for low and moderate income workers
- Stabilize micro-businesses that provide medical, food delivery, cleaning, and other services to support home health and quarantine
- Expand employment opportunities for low and moderate income workers through manufacturing of medical supplies for infectious disease response

### **CDBG - CV \$138,691**

CDBG - CV funds will be used to focus on the unsheltered homeless living in camps and low and income households impacted by food security

- Unsheltered homeless increased street outreach, Food security, supplies and PPE materials
- Opportunities for affordable nutritious food for household impacted by coronavirus
- Availability of PPE materials and supplies for low income households and others most impacted by COVID-19

## **CDBG – CV \$59,677 for grant administration**

- Grant administration and planning

### Public Review and Comments

The proposed plan changes were available for public review and comment from May 8, 2020, to May 14, 2020, in accordance with the expedited public comment process permitted by HUD for the COVID-19 response. A summary of the Substantial Amendment and City Commission Meeting was published in the Sanford Herald and posted on the City of Sanford website. The Substantial Amendments will be presented to The City of Sanford Commission for approval on May 18, 2020, at their Regular Commission Meeting.

The following comments were received from the public:

### Recommendation

Staff recommends approval of the substantial amendments to the 2015-2019 Consolidated Plan and 2019/2020 Action Plan (Amendment #1) necessary for the COVID-19 response. Authorize the execution of corresponding documents, signature pages, SF-424 and SF424-D, certifications, subsequent Grant Agreements with the US Department of Housing and Urban Development (HUD). Authorize the submission of the Substantial Amendments to HUD for approval.