

**CITY OF WORCESTER
COMMUNITY DEVELOPMENT BLOCK GRANT**

**FIFTH YEAR ACTION PLAN / PROGRAM YEAR 45
SUBSTANTIAL AMENDMENT #2
July 1, 2019 – June 30, 2020**



November 13, 2020

BACKGROUND AND OVERVIEW

Pursuant to recent US Department of Housing and Urban Development (HUD) guidance, *The Coronavirus Aid, Relief and Economic Security Act (CARES Act) Public Law* makes available a total of \$5 billion in supplemental Community Development Block Grant (CDBG) funding to be allocated across federal entitlement communities in the United States for the prevention, preparation, and response to, coronavirus impacts (CDBG-CV grants). Of this amount, the Department immediately allocated \$2 billion on March 27, 2020, the same day President Trump signed the Act, based on the fiscal year 2020 CDBG formula; this constituted the first round of CDBG-CV funds. Next, \$1 billion was required by the Act to be allocated to States and insular areas within 45 days of enactment of the Act; HUD accomplished this on May 11, 2020, and this constituted the second round of CDBG-CV funds. Finally, the remaining \$2 billion in CDBG-CV funds was required by the Act to be allocated to states and local governments at the discretion of the Secretary on a rolling basis; HUD accomplished this on September 11, 2020, and this constituted the third round of CDBG-CV funds. Additionally, the CARES Act provides CDBG grantees with flexibilities that make it easier to use CDBG-CV grants and for coronavirus response and authorizes HUD to grant waivers and alternative requirements, including streamlining the public comment period for public input related to Consolidated Plan Substantial Amendments. Grantees, such as the City of Worcester, have been advised to amend or prepare their plans as soon as feasibly possible. The Department is also waiving 24 CFR 91.505 to facilitate the use of the CD BG-CV funds to the extent necessary to require submission of the substantial amendment to HUD for review in accordance with 24 CFR 91.500.

As such, on or about the 2nd week of September, 2020, the City of Worcester anticipates receiving the following entitlement funds from HUD with the following allocation/award amounts:

- **Community Development Block Grant (CDBG): \$1,963,247**

The City of Worcester is therefore proposing to substantially amend its Consolidated Submission for Community Planning & Development (2015-2020), Fifth Year Action Plan, July 1st, 2019 – June 30th, 2020, in order to additionally fund the following activities and programs through the above supplemental allocations as itemized and further described in this amendment document on the following pages:

CDBG-CV: \$1,963,247 (CARES Act CDBG 3rd Round)

1. **COVID-19 Emergency Rental Assistance Program: \$1,958,524.70** (To be allocated to Worcester entities as shown below)
 - **Friendly House**, \$396,000.00
 - **Open Sky**, \$396,000.00
 - **Central Ma Housing Alliance**, \$178,200.00
 - **Worcester Community Housing Resources**, \$396,000.00
 - **Worcester Community Action Council**, \$396,000.00
 - **City Administrative Cost**, \$196,324.70
2. **Public Services Fund for COVID-19 Impact Response and Recovery: \$4,722.30**
 - **COVID Response for Public Services**, \$4,722.30

Please Note: The allocation amounts provided above are based upon estimates and are subject to change. Final allocation amounts will be subject to 2 CFR 200.00 et. seq. (entitled "Uniform Administrative Requirements for Federal Awards") for requirements formerly set forth in O.M.B. Circular A-122 and satisfaction of additional Community Development Block Grant (CDBG) program eligibility criteria, as well as any other guidance or regulations as they may relate to The Coronavirus Aid, Relief and Economic Security Act (CARES Act) Public Law.

PROPOSED AMENDMENT ACTIVITY DESCRIPTIONS

The proposed amendment will allow the City of Worcester to fund the following activities and programs utilizing new and supplemental funds from the U.S. Department of Housing HUD under *The Coronavirus Aid, Relief and Economic Security Act* (CARES Act) Public Law. The following, as generally described herein, will be funded by amending the approved Fifth Year (2019-2020) Action Plan. The proposed projects, programs and activities are as follows:

CDBG-CV: 1,963,247 (CARES Act CDBG 3rd Round)

1. COVID-19 Emergency Rental Assistance Program: \$ 1,958,524.70

- City of Worcester Executive Office of Economic Development, Housing Development Division

The City of Worcester's Executive Office of Economic Development's (EOED) Housing Development Division was awarded \$1,963,247 in HUD CARES Act Community Development Block Grant (CDBG) Round 3 funding. Due to the historic Massachusetts Eviction Moratorium ordered by Governor Baker on April 20, 2020, and expired as of October 17, 2020, the City is aware that many residents and families in Worcester have struggled to keep up with rent and other financial obligations. As a result, EOED proposes to launch a COVID-19 Emergency Rental Assistance Program. This program is funded through the U.S. Department of Housing and Urban Development's (HUD) CDBG Program using CARES Act Round 3. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this historic public health crisis.

2. Public Services Fund for COVID-19 Impact Response and Recovery: \$4,722.30

- City of Worcester Executive Office of Economic Development, Neighborhood Development Division

It's anticipated that due to the severe widespread economic consequences created by the COVID-19 pandemic, low/moderate income individuals have suffered immediate economic and health hardships, including loss of income and employment opportunities, resulting in the need for case management and guidance in access to governmental systems for benefits, services, etc. as well as the need for healthcare services and emergency food and food security. This funding pool will enable the City to fund additional internally administered, as well as external non-profit based, services and programs that address any current or future anticipated needs as they may arise and be identified further through the duration of the pandemic, and during the recovery period. Activities may involve a variety of Public Services to include case management, food security, public health outreach, Personal Protective Equipment (PPE), program materials, services and supplies, etc. as deemed necessary, cost reasonable, and eligible by HUD and the CARES Act guidelines.

Contracts, or contract amendments, for all above activities will be executed once formal scopes of work have been reviewed and determined to be cost reasonable per 2 CFR 200.00 et. seq. (entitled "Uniform Administrative Requirements for Federal Awards") for requirements formerly set forth in O.M.B. Circular A-122 as well as full satisfaction of additional program eligibility criteria, including completion of Environmental Reviews per 24 CFR Part 58.

CITIZEN PARTICIPATION

In accordance with HUD's waiver of 24 CFR 91.105(c)(2) and (k), 91.115(c)(2) and (i), the proposed amendment contained herein is being provided for public comment for no less than 5 days. The proposed amendment has been posted on Friday, November 13, 2020 at the following locations:

- The City of Worcester's Community Development website, Policies & Procedures Page: <http://www.worcesterma.gov/housing-neighborhood-development/community-development-block-grants/policies-procedures>

Public input, comments, and inquiries may be directed to the City of Worcester's Executive Office of Economic Development as follows:

- By E-mail: Development@worcesterma.gov
- By Phone: (508) 799-1400

Anyone wishing to provide comments should provide their full name and contact information. The final day for accepting public comments will be Friday, November 20, 2020.