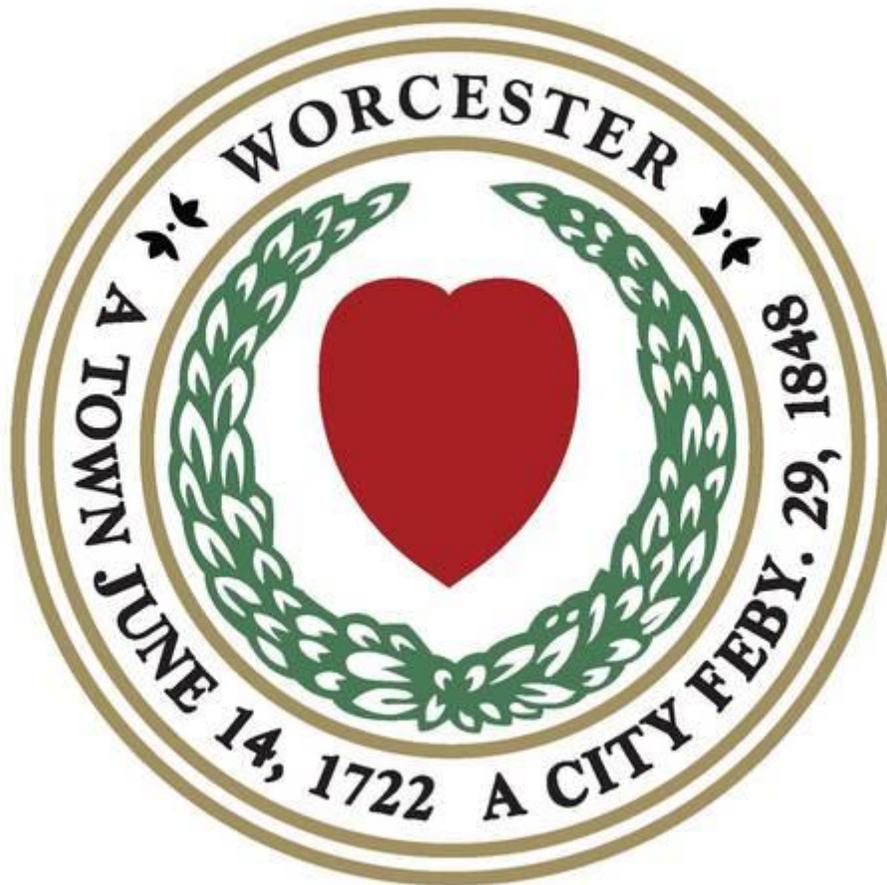


**CITY OF WORCESTER
COMMUNITY DEVELOPMENT BLOCK GRANT**

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

DRAFT



April 22, 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). 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 4th week of April, 2020, the City of Worcester anticipates receiving the following entitlement funds from HUD with the following allocation/award amounts:

- **Community Development Block Grant (CDBG): \$2,716,551**
- **Emergency Solutions Grant (ESG): \$1,327,821**
- **Housing Opportunities for Persons with Aids (HOPWA): \$94,776**

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: \$2,716,551 (supplemental funds)

1. **COVID-19 Small Business Resiliency Grant Program: \$800,000**
 - City of Worcester Executive Office of Economic Development, Business Assistance & Community Development Division
2. **Housing Rehabilitation Fund: \$1,000,000**
 - City of Worcester Executive Office of Economic Development, Housing Development Division
3. **Public Services for Case Management, Food Security, & Homeless Health Care: \$155,463.68** (To be Allocated to Worcester Serving Non-Profits and Activities as Shown Below)
 - **Centro Las Americas: Emergency Food Pantry**, \$26,848.35
 - **Dismas House: BAR None Program**, \$3,618.06
 - **Friendly House: Case Management**, \$39,023.08
 - **Family Health Center of Worcester: Healthcare for Homeless Families**, \$7,236.11
 - **Southeast Asian Coalition of Central MA: Case Management**, \$34,371.54
 - **Veterans Inc.: Food Access and Security for Veterans**, \$3,618.06
 - **South Worcester Neighborhood Improvement Corporation: Case Management**, \$28,683.88
 - **Quinsigamond Village Community Center: Basic Needs Services**, \$12,064.60

4. **Public Services Fund for COVID-19 Impact Response and Recovery: \$311,087.32**
 - City of Worcester Executive Office of Economic Development, Neighborhood Development Division
5. **Recreation Worcester Program: \$450,000.00**
 - City of Worcester Department of Health & Human Services, Youth Opportunities Division

ESG-CV: \$1,327,821 (supplemental funds)

1. **Restorer of Broken Bridges, Homeless Shelter Operations: \$300,000**
2. **Homelessness Street Outreach and Case Management Services: \$178,666.27**
 - City of Worcester Department of Health and Human Services
3. **Emergency Shelter Cleaning, Sanitation, and Operation: \$100,000**
 - City of Worcester, Department of Finance & Administration, Division of Asset Management
4. **DCU Center, COVID-19 Positive Homeless Patient Shelter: \$400,000**
 - City of Worcester Department of Emergency Management & Communications
5. **COVID-19 Rapid Re-Housing Recovery Fund: \$216,372.63**
 - City of Worcester Executive Office of Economic Development, Housing Development Division
6. **ESG Program Administrative Costs: \$132,782.10**
 - City of Worcester Executive Office of Economic Development, Housing Development Division

HOPWA-CV: \$94,776 (supplemental funds)

1. **COVID-19 Impacts and Housing Opportunities for Persons with AIDS: \$94,776** (To be Allocated to Worcester Serving Non-Profits as Shown Below)
 - **Aids Project Worcester:** \$31,592.00
 - **Montachusett Opportunity Council:** \$31,592.00
 - **Perceptions Program:** \$31,592.00

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: \$2,716,551 (supplemental funds)

1. COVID-19 Small Business Resiliency Grant Program: \$800,000

- City of Worcester Executive Office of Economic Development, Business Assistance & Community Development Division

The COVID-19 Small Business Resiliency Grant Program will assist in the stabilization of existing small businesses within the City of Worcester that have had significant business disruption due to the impact of COVID-19. These grant funds will assist small businesses in the City of Worcester to cover operating expenses, including wages, rent, loss of inventory, and other relevant costs. Qualifying owners must be from a low- to moderate-income household and have less than \$2,000,000 in annual gross revenue. The first round of the program launched in March 2020 with existing CDBG resources supported 191 businesses at a total funding of \$1,500,500, capped at \$10,000 per business. The average grant per business was \$7,800. The average size of the businesses was approximately \$220,000 in annual revenue with an average employee count of 4.2 employees. In addition, 41% of the businesses funded were women-owned, with 57% owned by minorities / people of color. The second round will be capped at \$5,000 per business and will focus on supporting businesses that have not received assistance through any other grant or forgivable loan program.

2. Housing Rehabilitation Fund: \$1,000,000

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

Due to the severe widespread economic consequences created by the COVID-19 pandemic, low/moderate income individuals have suffered immediate economic hardships beginning in March of 2020. On April 1st, 2020, the Realtor Association of Central Massachusetts and Masslandlords, Inc. estimated that 20-30% of tenants in the city were not able to pay rent due to the COVID-19 outbreak. As a consequence, landlords have been unable to afford mortgage payments and lack the funds to perform property maintenance on their rental units. Without proper maintenance, low/moderate income individuals are at risk of living within uninhabitable housing units, ultimately increasing the risk of injury, illness, emotional distress, and homelessness. Housing Rehabilitation funds will provide \$1,000,000 to address sanitary and building code issues through the repair and rehabilitation of units and common areas inhabited by low/moderate income tenants and/or owners. Especially during this time of social distancing, providing this funding will allow tenants housing stability and a safe environment to shelter during the COVID-19 pandemic. Without this

funding, these units may fall into disrepair and become uninhabitable, putting tenants at risk of homelessness.

- 3. Public Services for Case Management, Food Security, & Homeless Health Care: \$155,463.68** (To be Allocated to Worcester Serving Non-Profits and Activities as Shown Below)
- **Centro Las Americas: Emergency Food Pantry**, \$26,848.35
 - **Dismas House: BAR None Program**, \$3,618.06
 - **Friendly House: Case Management**, \$39,023.08
 - **Family Health Center of Worcester: Healthcare for Homeless Families**, \$7,236.11
 - **Southeast Asian Coalition of Central MA: Case Management**, \$34,371.54
 - **Veterans Inc.: Food Access and Security for Veterans**, \$3,618.06
 - **South Worcester Neighborhood Improvement Corporation: Case Management**, \$28,683.88
 - **Quinsigamond Village Community Center: Basic Needs Services**, \$12,064.60

It's anticipated that due to the severe widespread economic consequences created by the COVID-19 pandemic, low/moderate income individuals and homeless individuals have suffered immediate economic and health hardships, including loss of income and employment opportunities, resulting in the need for case management and guidance for accessing governmental systems, benefits, services, etc. as well as the need for healthcare services and emergency food and food security. The programs and non-profits identified here have established programs funded by existing City of Worcester federal grants and have experienced increased demand and clientele related to the aforementioned circumstances. Funding will allow them to provide at least 40% above their current service levels to Worcester residents in need.

- 4. Public Services Fund for COVID-19 Impact Response and Recovery: \$311,087.32**
- 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.

5. Recreation Worcester Program: \$450,000.00

- City of Worcester Department of Health & Human Services, Youth Opportunities Division

Recreation Worcester is a free, year-round, out-of-school time program run by the City of Worcester. Through after-school, vacation, and summer programs, predominantly offered to low-to moderate income household participants, youth are able to engage with program staff and community partners in enriching athletic, artistic, and academic programming. The community partnerships that Recreation Worcester cultivates creates mentorship linkages between youth and community leaders. Healthy meals and snacks are provided to all youth that participate in the Recreation Worcester Program. In 2019, the program served 2,210 youth through our various programming and hired 191 youth. The current COVID-19 pandemic has negatively impacted the program, resulting in a loss of the State’s earmark funding to support summer programming, which in 2019 we received \$350,000. Private support funding has also been jeopardized in light of the pandemic. The program has adapted after-school programming to move to a virtual model in order to continue to engage and support the needs of Worcester’s youth during this time. If COVID-19 social distancing guidelines continue into the summer, the program anticipates hiring highly qualified and trained youth workers to continuing in engaging youth.

ESG-CV: \$1,327,821 (supplemental funds)

1. Restorer of Broken Bridges, Homeless Shelter Operations: \$300,000

The COVID-19 Pandemic has placed considerable strain on the city’s homeless population. Existing shelter operations did not allow for the physical distancing necessary to prevent the spread of the disease. In March 2020, the City opened multiple temporary shelter operations at schools, hotels and churches which would each house a maximum of 25 people to allow for social distancing. This approach has allowed for physical separation of this vulnerable population. Two of the shelters have been designated for occupants that have tested positive for the virus. Funds will be used for the staffing, supplies and operations of these temporary shelters including city health and medical staffing, shelter sub-recipient operations, staffing, meals, equipment, communication devices, cleaning and other eligible items.

2. Homelessness Street Outreach and Case Management Services: \$178,666.27

- City of Worcester Department of Health and Human Services

The City’s Health and Human Services Division has provided expanded street outreach services to ensure the 200 or more homeless individuals have been able to access COVID-19 shelter services. Additional case management capability is required to ensure housing, medical, nutritional and other basic needs are being met. This funding will provide both of these critical services to the city’s homeless population.

3. Emergency Shelter Cleaning, Sanitation, and Operation: \$100,000

- City of Worcester, Department of Finance & Administration, Division of Energy and Asset Management

The City's Office of Energy and Asset Management is responsible for the daily cleaning and disinfecting of the temporary shelters. This includes cleaning and disinfecting all surfaces in the shelters including furniture, bedding, and laundry. The funding will ensure shelter environments are disinfected on a daily basis to reduce the spread of COVID-19 infections.

4. DCU Center, COVID-19 Positive Homeless Patient Shelter: \$400,000

- City of Worcester Department of Emergency Management & Communications

The DCU Center Homeless COVID-19 Positive Sheltering Site was operational as of Friday, April 17, 2020. The facility is owned by the City of Worcester and was activated as there was a surge in COVID-19 positive patients that are considered homeless and in need of a safe space to isolate/quarantine and have their symptoms monitored. Currently, the site is staffed by a combination of volunteers from various groups including the Family Health Center, the Medical Reserve Corps, City of Worcester staff from various departments, and community volunteers. Patients are brought to the shelter after receiving a COVID-19 positive test results at one of the various homeless sheltering sites within the City or at a local hospital. Currently, many services including direct health care and monitoring of symptoms, cleaning, food, waste disposal, linen service, and environmental services are handled by subcontractors, as well as many supplies and services provided directly by the City of Worcester staff and personnel. The funding will be used for the direct operation of this shelter and other costs deemed eligible, necessary, and cost reasonable by the City and its partners and subcontractors in tandem with guidance provided by HUD and the CARES Act Public Law.

5. COVID-19 Rapid Re-Housing Recovery Fund: \$216,372.63

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

A fund in the amount of \$216,372.63 administered by the Housing Development Division of the Executive Office of Economic Development will be used for the reintegration of the homeless population to permanent housing solutions by providing housing stability case management and rapid rehousing assistance to homeless households in the City of Worcester.

6. ESG Program Administrative Costs: \$132,782.10

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

Due to the increased administrative burden of managing the supplemental Emergency Solutions Grant (ESG) funding, the city will use ten percent (10%) of the overall grant allocation to cover the increased administrative costs related to grant oversight, monitoring and reporting. The administrative costs are allowable under HUD guidance related to the CARES Act Public Law.

HOPWA-CV: \$94,776 (supplemental funds)

- 1. COVID-19 Impacts and Housing Opportunities for Persons with AIDS: \$94,776** (To be Allocated to Worcester Serving Non-Profits as Shown Below)
- **Aids Project Worcester:** \$31,592.00
 - **Montachusett Opportunity Council:** \$31,592.00
 - **Perceptions Program:** \$31,592.00

This funding will be used by existing HOPWA grant sub-recipients as additional funding to maintain operations, and for rental assistance, supportive services, and other necessary actions to prevent, prepare for, and respond to COVID-19. The individuals served are vulnerable due to being immune system compromised and therefore at increased risk of contracting COVID-19. Additional funding will be used for, but not necessarily limited to, a variety of eligible expenses including: assisting HOPWA eligible households in accessing essential services and supplies such as food, water, medications, medical care, and information; educating assisted households on ways to reduce the risk of getting sick or spreading infectious diseases such as COVID-19 to others; providing transportation services for eligible households, including costs for privately owned vehicle transportation when needed to access medical care, supplies, and food, or to commute to places of employment; providing Short-Term Rent, Mortgage, and Utility assistance payments (STRMU) to prevent homelessness for a period of up to 24 months, etc.

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 Wednesday, April 22, 2020 at the following locations:

- The City of Worcester website- Main Page: <http://www.worcesterma.gov/>
- 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 Monday, April 27, 2020.