

## Substantial Amendment to the 2019 Consolidated Plan

### *Substantial Amendment to the 2019 CDBG Action Plan (September 1, 2019 – August 31, 2020)*

This document serves as the Second Substantial Amendment to the Annual Action Plan originally published previously in July 2019 and authorized for submission to the U.S. Department of Housing and Urban Development by the County of Gloucester. The 2019 Annual Action Plan award represented \$1,347,415 CDBG funds, and \$573,217 Home Investment Partnership. This Substantial Amendment to the County of Gloucester 2019 Action Plan is due to the Coronavirus Aid, Relief and Economic Security Act (CARES Act) Public Law. This law made available \$5 billion in supplemental Community Development Block Grant (CDBG) funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants). Additionally, the CARES Act provides CDBG grantees with flexibilities that make it easier to use CDBG-CV grants and fiscal years 2019 and 2020 CDBG Grants for coronavirus response and authorizes HUD to grant waivers and alternative requirements.

The County of Gloucester has received an allocation of \$804,857 under CDBG-CV1 and \$1,939,512 under CDBG-CV3 as available resources which will be applied to the 2019 Annual Action Plan. For the sake of clarity, Gloucester County was not eligible to receive funds directly from HUD under the CDBG-CV2 round of the CARES Act.

The CARES Act permits HUD to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the CDBG-CV funds, FY2019 and FY2020 CDBG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding by the Secretary that any such waivers or alternative requirements are necessary to expedite or facilitate the use of such amounts to prevent, prepare for, and respond to coronavirus.

To expedite grantees' use of CDBG-CV funds, HUD is waiving the requirements at 42 U.S.C. 12705(a)(2) to the extent it requires updates to the housing and homeless needs assessment, housing market analysis, and strategic plan and 24 CFR 91.220 and 91.320 to the extent the action plan is limited to a specific program year to permit grantees to prepare substantial amendments to their most recent annual action plan, including their 2019 annual Action Plan. Grantees must identify the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus.

### ***Allocation of CDBG-CV funds:***

While the subject of this Substantial Amendment is the allocation of CDBG-CV3 funding, the summary below includes CV1 funds that have already been allocated under a previous Substantial Amendment:

Activity	National Objective	CV-1	CV-3	Total CDBG-CV
Assistance to Businesses, Special Economic Development	LM	\$100,000	\$1,126,536	\$1,226,536
Public Services	LM/UR	\$674,857	\$294,103	\$968,960
Administration	N/A	\$30,000	\$518,873	\$548,873
<b>Total Funding</b>		<b>\$804,857</b>	<b>\$1,939,512</b>	<b>\$2,744,369</b>

L/M = Low and Moderate-Income People, UR = Urgent Need

Each of the three activities are described in more detail:

#### **Micro-Enterprise Business Assistance**

This activity will develop economic development programs that assist private for-profit entities and micro-enterprises adversely impacted by Coronavirus. Financial assistance will be limited to \$5,000 per business. Approximately two hundred (200) micro-enterprises will be assisted by the activity by:

- Providing technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine.
- Providing grants or loans to support new businesses or business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease.
- Avoiding job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons

#### **Public Service Activities**

This activity will fund various public services to address needs of County residents being impacted by the Corona virus, including:

- Providing testing, diagnosis or other services at a fixed or mobile location.
- Increasing the capacity and availability of targeted health services for infectious disease response within existing health facilities.
- Providing equipment, supplies, and materials necessary to carry-out a public service.

- Delivering meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.
- Providing nutritional (food banks), Interim Assistance (rental, utility, etc.) to low-moderate income households that are adversely impacted due to COVID-19.

## Administration

This activity will cover expenses incurred by the County to plan for, administer and report on the use of CDBG-CV funding.

## *Waivers and Alternative Requirements*

HUD has provided the waivers of various rules and regulations for projects preparing for, preventing the spread or responding to the Corona virus. Specifically, the County may exercise the following waivers:

1. Public Service Activities – CDBG public service funding cap of 15 percent is waived.
2. Reimbursement of Costs - Eligible costs for approved activities are eligible for reimbursement beginning January 22, 2020.
3. Citizen Participation – Public hearings, including teleconferencing must provide at least a 5-day public comment period on projects proposed for CDBG-CV funding.

## *Duplication of Benefits Test*

A duplication of benefit occurs when funding is provided for the same costs paid by another source, including private insurance, and the total amount received exceeds the total need for those costs. The grant agreement will require Grantees to report all sources of funds received, anticipated and received after implementation of the funded activity. Each grant activity will be required to complete a duplication of benefits analysis prior to the disbursement of the final payment. Any amount found to exceed the total amount needed for the activity will be returned and reallocated to open project(s) with need or will be returned to the Program's fund.

## *CDBG Program Requirements*

All of the standard CDBG Program requirements will apply to the CDBG-CV Funding. Refer to the Gloucester County website at

<http://www.glocestercountynj.gov/depts/p/pw/planning/hcdev/default.asp> for more information.