

**Executive Summary of Substantial Amendment 2020-2:
An Amendment to the Consolidated Plan 2016-2020 and 2019 Annual Action Plan to
facilitate CDBG-CV third round Funding**

BACKGROUND

The March 27, 2020 passage of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, provides \$5 billion in Community Development Block Grant funds to be used to prevent, prepare for, and respond to the Coronavirus (COVID-19). As an entitlement community, Waterford Township received \$215,575 in Community Development Block Grant-Coronavirus (CDBG-CV) first round funds from the Department of Housing and Urban Development (HUD). Recently, HUD informed the Township that the jurisdiction's allocation for the third round is \$320,932. Waterford Township cumulative amount for all CDBG-CV allocations to date is \$535,507.

To expedite the disbursement of the Township's new allocation of CDBG-CV third round funds, via 24 CFR 5.110, the CARES Act authorized HUD to grant waivers to the public notice, public comment, and citizen participation plan requirements found in 24 CFR 91.105(2) and (k) and 24 CFR 91.40.

In addition to the public notice/comment waivers, the CARES Act also established the following regulatory waivers, all of which, Waterford Township will utilize under proposed Amendment 2020-2:

1. The public services cap of 15% is suspended for the Township's CDBG- CV funds.
2. The CARES Act permits the use of virtual public hearings when necessary for public health reasons.
3. The CARES Act permits plan amendments and other plan publications to occur concurrently. The Substantial Amendment to Waterford Township's 2016-2020 Con Plan will result in the allocation of \$320,932 of CDBG-CV third round funds that further address the Township's effort to comply with HUD's regulatory requirements in administering the community's CDBG Program, including CDBG-CV funds.

Substantial Amendment 2020-2 amends the following areas of the existing Con Plan and 2019 Annual Action Plan in response to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and various waivers provided by the U.S. Department of Housing and Urban Development (HUD):

2016-2020 Consolidated Plan

- **SP-35 ANTICIPATED RESOURCES - 91.420(b),91.215(a)(4), 91.220(c)(1,2)**
Updated Available Resources section to account for CDBG-CV Funds

2019 Annual Action Plan

- **AP-15 EXPECTED RESOURCES - 91.420(b), 91.220(c)(1,2)**
Updated Available Resources section to account for CDBG-CV Funds
- **AP-35 PROJECTS - 91.420,91.220(d)**
Updated project list to account for CDBG-CV funded activities
- **AP-38 PROJECT SUMMARY**
Updated project summary table to account for CDBG-CV funded activities

AMENDMENTS TO THE CONSOLIDATED PLAN

A copy of Waterford Township’s 2016-2020 Consolidated Plan (Con Plan) can be found on the Township’s webpage. The following are the proposed amendments to the Con Plan to direct CDBG-CV funds in accordance with HUD guidelines (COVID-19 Response and Recovery)..

SP-35 ANTICIPATED RESOURCES – 91.420(b), 91.215(a)(4), 91.220(c)(1,2)

Under Substantial Amendment 2020-2, Waterford Township will add the following language to the Anticipated Resources introduction section (amendment language in italics below).

The Office of Community Planning and Development at the U.S. Department of Housing and Urban Development (HUD) allocated \$215,575 of CDBG-CV funds on April 2, 2020. CDBG-CV funds may be used to assist in the Township’s response to the effects of the Coronavirus pandemic, such as community development needs including the provision of post-COVID-19 recovery emergency assistance to non-profits, small businesses, and low and moderate income residents.

Under Substantial Amendment 2020-2, Waterford Township will update its “Anticipated Resources” table to include expected CDBG-CV funding (in italics). Note, while the CDBG-CV funding has been added, CDBG allocations noted in the updated “Expected Resources” table date from the initial 2016- 2020 ConPlan fiscal year will remain unchanged.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	390,000	20,000	145,000	555,000	1,591,750	Approximately \$390,000 in CDBG entitlement grant funds each program year plus approximately \$20,000 in program income generated each program year
CDBG-CV	public - federal	<i>Prevent, Prepare, and respond to COVID 19</i>				\$535,507		<i>Special Allocation of Funding</i>

AMENDMENTS TO THE 2019 ANNUAL ACTION PLAN

A copy of Waterford Township’s 2019 Annual Action Plan (AAP) can be found on the Township’s webpage. The following are the proposed amendments to the AAP to direct CDBG-CV third round funds in accordance with HUD guidelines (COVID-19 Response and Recovery).

AP-15 EXPECTED RESOURCES – 91.420(b), 91.220(c)(1,2)

Under Substantial Amendment 2020-1, Waterford Township will update its “Anticipated Resources” table to include expected CDBG-CV funding (in italics).

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
<i>CDBG-CV</i>	<i>Other: public - federal</i>	<i>Other: Emergency response for the prevention, preparation for COVID-19</i>				<i>\$535,507</i>	<i>CDBG-CV funds to be used to prevent, prepare and respond to the coronavirus</i>	

AP-35 PROJECTS – 91.420, 91.220(d)

Under Substantial Amendment 2020-2, Waterford Township will update its Project table by adding CDBG-CV projects to accommodate CARES Act response with CDBG-CV funds (amendment language in italics below).

#	Project Name
1	Program Administration
2	Housing Rehabilitation
3	Code Enforcement
4	Public Service- Senior Disabled persons curb-to-curb transit program
5	Public Facilities & infrastructure – sidewalk improvement project
6	Public Facilities & infrastructure – Senior Center Rehabilitation Project
7	Public Facilities & infrastructure – Parks, Recreation Facilities Project
8	<i>CDBG-CV-19-01 Rental Subsistence Payment Program</i>
9	<i>CDBG-CV-19-02 Public Service Assistance for Non-Profit Agencies</i>
10	<i>CDBG-CV-19-03 Personal Protective Equipment (PPE) For First Responders</i>
11	<i>CDBG-CV-19-04 Program Administration</i>
12	<i>CDBG-CV3-19-05 Mortgage Subsistence Payment Program</i>
13	<i>CDBG-CV3-19-06 Small Business Assistance Grant Program</i>

AP-38 PROJECT SUMMARY

Under Substantial Amendment 2020-1, Waterford Township will update its Project Summary table to by adding the summaries of the CDBG-CV projects (amendment language in italics below).

8	Project Name	CDBG-CV-19-01 Rental Subsistence Payment Program
	Target Area	Waterford Township
	Goals Supported	Emergency Response
	Needs Addressed	Provide rental subsistence to low and moderate income renters of Waterford Township
	Funding	<i>CDBG-CV: \$60,000 \$160,000 (increase budget by \$100,000 with CDBG-CV3 funding)</i>
	Description	Provide rental payment subsistence assistance to low to moderate income renters impacted Waterford Township residents who have lost their job, been furloughed, or had their hours reduced because of the economic impact of COVID-19. Payments are made directly to the landlord or vendor providing the housing on behalf of the qualified resident. Eligible residents include those living in households with incomes at or below 80% AMI and can provide documentation of need due to the applicable impact of COVID-19, etc. Assistance will be provided to qualified rental households on a first come first serve basis until the allocated funds are exhausted or the assistance program is no longer found to be necessary. Assistance cannot exceed the actual cost of the rent and shall be in the spirit area FMR as well as HUD's standard of rent reasonableness. 24 CFR § 570.207 (4) Income payments states The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, "income payments" means a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family.
	Target Date	<i>June 1, 2020-September 30, 2022</i>
	Estimate the number and type of families that will benefit from the proposed activities	<i>20 low to moderate income renters</i>
	Location Description	<i>Township wide.</i>
	Planned Activities	<i>Rent subsistence program</i>

12	Project Name	<i>CDBG-CV3-19-05 Mortgage Subsistence Payment Program</i>
	Target Area	<i>Waterford Township</i>
	Goals Supported	<i>Emergency Response</i>
	Needs Addressed	<i>Emergency Response</i>

	Funding	<i>CDBG-CV: \$100,000</i>
	Description	<i>Provide mortgage payment subsistence assistance to low to moderate income Waterford Township residents who have lost their job, been furloughed, or had their hours reduced because of the economic impact of COVID-19. Subsistence payments are made directly to the mortgage provider or lender on the applicants behalf. Eligible homeowners include those living in households in Waterford Township with incomes at or below 80% AMI and can provide documentation of need due to the applicable impact of COVID-19. Assistance will be provided to income qualified households on a first come first serve basis until the allocated funds are exhausted or the assistance program is no longer found to be necessary. Assistance cannot exceed three times the actual monthly mortgage payment. 24 CFR § 570.207 (4) Income payments states The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, "income payments" means a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family.</i>
	Target Date	<i>June 1, 2020-September 30, 2022</i>
	Estimate the number and type of families that will benefit from the proposed activities	<i>20 low to moderate income residents</i>
	Location Description	<i>Township wide.</i>
	Planned Activities	<i>Mortgage subsistence program</i>

13	Project Name	<i>CDBG-CV3-19-06 Small Business Assistance Grant Program</i>
	Target Area	<i>Waterford Township</i>
	Goals Supported	<i>Emergency Response</i>
	Needs Addressed	<i>Emergency Response</i>
	Funding	<i>CDBG-CV: \$100,000</i>

	Description	<i>Assistance to microenterprises (five or fewer employees and the business owner must have a household income at or below 80% of the area median income) or small businesses (sole proprietorship, corporations, limited liability corporations, and sub-chapter S corporations with less than 50 employees that are willing to meet a public benefit in accordance to 24 CFR 570.209(b)) by providing basic needs to support operations of these businesses and their employees. Assistance funds may be use for, but are not limited to, paying commercial rent, lease, and mortgages of facilities utilized for retail, wholesale, manufacturing, personal service, entertainment, or food services. This Program is an assistance program in response to the Covid-19 outbreak for businesses that have lost business as a result of the pandemic. Assistance will be provided to qualified for-profit businesses on a first come first serve basis until the allocated funds are exhausted or the assistance program is no longer found to be necessary. 24 CFR 570.201(o)(1)(i) Providing credit, including, but not limited to, grants, loans, loan guarantees, and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises; AND 24 CFR 570.203(b) The provision of assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project, excluding those described as ineligible in § 570.207(a). In selecting businesses to assist under this authority, the recipient shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods.</i>
	Target Date	<i>June 1, 2020-September 30, 2022</i>
	Estimate the number and type of families that will benefit from the proposed activities	<i>Not Applicable</i>
	Location Description	<i>Township wide.</i>
	Planned Activities	<i>Provide assistance to sub-recipient for-profit agencies in providing basic needs to support their business and employees that have been affected by the coronavirus.</i>

11	Project Name	CDBG-CV-19-04 Program Administration
	Target Area	Waterford Township
	Goals Supported	Emergency Response
	Needs Addressed	Emergency Response
	Funding	<i>CDBG-CV: \$34,575 \$55,507 (increase budget by \$20,932 with CDBG-CV3 funding)</i>

Description	Funds will be provided for the general administration of the CDBG-CV Program. This will include necessary supplies, services, capital expenses, and the wages and fringe benefits for the percentage of time spent by staff in administering the overall CDBG-CV Program. 24CFR570.206 Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development activities assisted in whole or in part with funds provided under this part and, where applicable, housing activities (described in paragraph (g) of this section) covered in the recipient's housing assistance plan. This does not include staff and overhead costs directly related to carrying out activities eligible under 570.201 through 570.204 since those costs are eligible as part of such activities.
Target Date	June 1, 2020-September 30, 2022
Estimate the number and type of families that will benefit from the proposed activities	Not Applicable
Location Description	Township wide.
Planned Activities	Funds will be provided for the general administration of the CDBG-CV Program.