

## Summary

The City of Springfield is amending its PY2019 Annual Action Plan and PY2015-2019 Consolidated Plan to allocate CDBG funds received from the U.S. Department of Housing and Urban Development (HUD) in response to the COVID-19 emergency. HUD has awarded the City supplemental CDBG funding in the amount of \$799,156 through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

While HUD has waived some of the program regulations that govern the use of CDBG and HOME Funds when used to respond to COVID, the primary goal of assisting income-eligible persons remains. By amending its PY2019 Annual Action Plan, the City is proposing to utilize the newly funding to address community needs related to COVID, including business assistance, housing assistance, food bank support, health and safety supplies, and affected public facilities and services. The City will also alter the program policies of its existing CDBG-funded economic development program to meet the needs of businesses affected by COVID.

This change to the existing PY2019 plan is considered a substantial amendment. Under normal circumstances, the City is required to publish the proposed uses of CDBG and HOME funding in an Annual Action Plan and to adopt and follow a Citizen Participation Plan that provides for opportunities for residents to provide comments and input about the proposed uses of funds. Due to the emergency nature of COVID-19, HUD is permitting cities to shorten the public participation process to allocate CDBG and HOME funds to mitigate the impact of COVID-19.

The City is seeking comments on the proposed use of CDBG funds for COVID-19 mitigation purposes. The City will consider all comments received before 5:00 PM on May 14, 2020 before submitting the proposal to HUD. The City will continue to accept comments from the public after its submittal and use public comments to guide and inform possible future amendments. The preferred method for submitting comments is to send them via email to: [info.OPED@springfield.il.us](mailto:info.OPED@springfield.il.us).

The City will hold a number of public hearings to gather comments on the proposed use of funds, including:

- May 7, 5:00 - 6:00 Zoom Meeting: Register in advance for this meeting at this link - <https://zoom.us/meeting/register/tJAldeCspzMvGdFftn6LiaTZjmNmtUsh7wOD>
- May 12, 5:30 City Council Committee as a Whole Meeting
- May 14, 5:00 – 6:00 Zoom Meeting
- May 19, 5:30 City Council Meeting

**Sign-up to speak at any of the above meetings by emailing [Feedback@Springfield.il.us](mailto:Feedback@Springfield.il.us) one hour before the start of each meeting or call 217.789.2377. Written comments may also be accepted via email to [feedback@springfield.il.us](mailto:feedback@springfield.il.us).**

## Narrative

The outbreak of COVID-19 and the resulting response has had an unprecedented effect on the City's economy and employment. In order to utilize additional funding provided by HUD to respond to the coronavirus pandemic, the City will make the following changes to its 2015-2019 Consolidated Plan and 2019 Annual Action Plan.

### Adding COVID-19 Emergency as a Priority Need

Given the broad range of needs and the limited amount of resources available, the City can only meet a portion of the needs within the community. For the purpose the Consolidated Plan, the needs identified as "high priority" are those that the City plans on addressing with available federal funds. The City of Springfield will add "COVID Emergency" as a High Priority Need.

### Adding COVID Response as a Goal

The City of Springfield will add "COVID Response" as a goal to its current Consolidated Plan and PY2019 Annual Action Plan. All of the proposed projects described below will address this new goal.

### COVID Funding Allocations

The City of Springfield will allocate the \$799,156 CDBG-CV award to the following uses more fully described in the following pages. The City will also utilize \$325,000 of funds currently programmed to the CDBG-funded economic development program to assist businesses affected by COVID. **The City reserves the right to reallocate funding among the proposed line items as needed to properly respond to the changing needs.**

1. COVID-19 Business Assistance	\$200,000 + Current \$325,000
2. COVID-19 Housing Assistance	\$400,000
3. COVID-19 Food Pantry Assistance	\$100,000
4. COVID-19 Medical Supplies and Respiratory Kits	\$ 50,000
5. COVID-19 Public Services and Facilities	\$ 49,156
<b>TOTAL</b>	<b>\$799,156</b>

Substantial Amendment for COVID Response

<b>1</b>	<b>Project Name</b>	COVID-19 Business Assistance
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID Response
	<b>Needs Addressed</b>	COVID Emergency
	<b>Funding</b>	CDBG CARES Act: \$200,000 <sup>1</sup>
	<b>Description</b>	<p>CDBG funds will support local businesses impacted by the COVID emergency through economic and technical assistance. Financing will be provided through forgivable grants and loans to small businesses in order to stay in operation and address the economic impacts caused by the COVID-19 outbreak. A maximum of \$5,000 will be provided as a forgivable grant to businesses. A maximum of \$25,000 will be provided through a low interest loan to businesses for a cumulative total as determined by leverage CDBG funds with participating institutions. Assisted businesses must meet a low-mod income national objective in one of the following ways:</p> <ul style="list-style-type: none"> <li>• Owner qualifies as Low Mod Income</li> <li>• Business creates or retains jobs for Low Mod Income employees</li> <li>• Business provides goods and services to a Low Mod Income service area.</li> </ul>
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	\$5,000 per business, the City will be able to assist 40 businesses through forgivable grant and 100 businesses through low interest loan program.
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	<p>Eligible Activities:</p> <ul style="list-style-type: none"> <li>• Economic Development - Direct Financial Assistance (570.203(b))</li> <li>• Economic Development - Technical Assistance (570.203(c))</li> <li>• Economic Development – Microenterprise (570.201(o))</li> </ul> <p>National Objectives will be dependent on each specific business assisted:</p> <ul style="list-style-type: none"> <li>• Low Mod Clientele (for microenterprises only)</li> <li>• Low Mod Jobs</li> <li>• Low Mod Area</li> </ul>

<sup>1</sup> The City will also use \$325,000 available in the existing CDBG-funded economic development program to assist businesses affected by COVID.

<b>2</b>	<b>Project Name</b>	COVID-19 Housing Assistance
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID Response
	<b>Needs Addressed</b>	COVID Emergency
	<b>Funding</b>	CDBG-CV: \$400,000
	<b>Description</b>	CDBG-CV funds will be provided to income-eligible residents economically impacted by the COVID outbreak to make rent payments. A maximum of \$1,000 will be provided to landlords/property managers on behalf of renters.
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	Assuming an average amount of assistance of \$500, the City expects to assist 800 households
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	Subsistence Payments (05Q) – 570.201(e) Low-Mod Clientele (LMC) 570.208(a)(2)

<b>3</b>	<b>Project Name</b>	COVID-19 Food Pantry Assistance
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID Response
	<b>Needs Addressed</b>	COVID Emergency
	<b>Funding</b>	CDBG-CV: \$100,000
	<b>Description</b>	CDBG-CV funds will support the food pantry to provide food to those most impacted by food shortage.
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	100,000 to 130,000 meals
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	Food Banks (05W) – 570.201(e) Urgent Need (URG) 570.208(c)

## Substantial Amendment for COVID Response

4	<b>Project Name</b>	COVID-19 Medical Supplies Respiratory Kits
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID Response
	<b>Needs Addressed</b>	COVID Emergency
	<b>Funding</b>	CDBG-CV: \$50,000
	<b>Description</b>	CDBG-CV – funds will support distribution of COVID-19 respiratory kits. A portion of the kits will be made available to the general public. The remaining portion will be distributed for at-risk populations, including the homeless and the elderly.
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	900 Respiratory Kits Distributed
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	Health Services (05M) – 570.201(e) General Populace - Urgent Need (URG) 570.208(c) At-risk Populace - Low-Mod Clientele (LMC) 570.208(a)(2)

5	<b>Project Name</b>	COVID-19 Public Services and Facilities
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID Response
	<b>Needs Addressed</b>	COVID Emergency
	<b>Funding</b>	CDBG-CV: \$49,156
	<b>Description</b>	CDBG-CV funds will subsidize public facilities and/or public services that primarily serve low and moderate income persons to adapt to the changing needs of their clients due to the COVID emergency.
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	To Be Determined
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	Public Facilities (03) – 570.201(c) Public Services (05) – 570.201(e) Low-Mod Clientele (LMC) 570.208(a)(2)