

**SUBSTANTIAL AMENDMENT TO THE
2019/2020 ANNUAL ACTION PLAN
FOR THE CITY OF CLEARWATER, FLORIDA
DRAFT April 24, 2020**

AMENDMENT SUMMARY

Background

In response to the Coronavirus Pandemic (COVID-19) the United States Department of Housing and Urban Development (HUD) has notified the City of Clearwater that it will receive an allocation of \$492,592 of Community Development Block Grant Program – Coronavirus Response funds (CDBG-CV) to be used to prevent, prepare for, and respond to COVID-19. 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.

The City of Clearwater’s federal Annual Action Plan details the funding strategy for the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs each year. The Annual Action Plan implements a jurisdiction’s multi-year Consolidated Plan and is developed through significant citizen participation, analysis, and planning.

The City’s Citizen Participation Plan (CPP) describes the efforts that the City will take to encourage the community to participate in plan development. It also describes the process for amending the Consolidated Plan and/or Annual Action Plan when necessary. The following changes require a “substantial” amendment to the plan and must be publicly noticed as described in the CPP:

1. There is a reallocation/reprogramming of funds equaling more than 50 percent in the aggregate of the City’s combined CDBG and HOME allocations to an activity(s) previously described in the Consolidated Plan and/or Annual Action Plan(s).
2. There is a reallocation/reprogramming of funds equaling more than 25 percent in the aggregate of the City’s annual CDBG and HOME entitlement for that program year.
3. A decision is made to carry out an activity not previously described in the Consolidated Plan and/or Annual Action Plan(s), including program income.
4. The purpose, scope, location(s) or beneficiaries of an activity are substantially changed. An activity will be considered substantially changed when any of the following criteria applies:
 - a. The activity will no longer principally benefit the targeted population as identified in the Consolidated Plan and/or Annual Action Plan(s).
 - b. The activity will no longer address the low- and moderate-income needs identified in the Consolidated Plan and/or Annual Action Plan(s) or the activity ceases to address the qualifying National Objectives as per 24 CFR Part 570.208.
 - c. The activity location changes so that the completed activity will principally serve beneficiaries other than those originally intended.

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2019/2020 ANNUAL ACTION PLAN
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DRAFT April 24, 2020**

- d. The scope of the activity has increased to the point where its completion would result in the inability to carry out another approved activity, or would require reducing the scope of another activity to a point where it would not accomplish its intended purpose.

Proposed Substantial Amendment

The City is proposing to amend the Annual Action Plan to account for the following funding:

- Adjustment adding CDBG-CV (\$492,592) for activities aimed at responding to and recovering from the COVID-19 pandemic;
- Reallocation of CDBG (\$230,000) funds resulting from projects that did not/will not materialize;
- Reallocation of HOME (\$300,000) funds to support an emergency rent/mortgage/utility payment assistance program;
- Reduction of CDBG (\$306,000) and reallocation of HOME (\$657,020) funds resulting from projects that did not/will not materialize;
- Adjustment to increase HOME administration to 25% of current year entitlement (\$57,596), as provided for by HUD to address increased administrative costs brought on by the COVID-19 pandemic.

The total amount to be added is \$492,592, the total amount to be reallocated/reprogrammed to other projects is \$887,020, the total amount reduced due to program income not materialized is \$351,000 (-\$306,000 and -\$45,000). The proposed amendment will program or reallocate/reprogram this funding to the following activities:

Project Name	Previous Amount	Amended Amount	Change (+) (-)	Change Summary
CDBG-Public Facilities (TBD)	CDBG-\$306,000	CDBG-\$0	-\$306,000-CDBG	Subtracts \$306,000 of program income not materialized
CDBG-Belmont Park (NEW PROJECT)	CDBG-\$0	CDBG-\$99,000	+\$99,000-CDBG	New project funded with pool of \$230,000 in reprogrammed funds from 3 other CDBG projects (BD Façade Improvements, ED TBD, and Owner-Occupied Land Acquisition)
CDBG-Public Services-COVID19 Expenses (NEW PROJECT)	CDBG- \$0	CDBG-\$131,000	+131,000-CDBG	New project funded with pool of \$230,000 in reprogrammed funds from 3 other CDBG projects (BD Façade Improvements, ED TBD, and Owner-Occupied Land Acquisition)
CDBG-Administration/Planning	CDBG-\$197,809	CDBG - \$251,327	+\$53,518-CDBG	Adds \$98,518 in COVID-19 related admin. funding and subtracts \$45,000 in program income not materialized
CDBG-Business Assistance-COVID-19 (NEW PROJECT)	CDBG-\$0	CDBG-\$394,074	+\$394,074-CDBG	New project funded with new COVID-19 funding \$492,592 subtract \$98,518 for 25% admin.

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2019/2020 ANNUAL ACTION PLAN
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DRAFT April 24, 2020**

CDBG-Business Development (Façade Improvements)	CDBG- \$80,000	CDBG- \$0	-80,000-CDBG	Reprograms \$80,000 to new projects, Public Services-COVID-19 and Belmont Park improvements
CDBG-Economic Development (TBD)	CDBG- \$50,000	CDBG- \$0	-50,000-CDBG	Reprograms \$50,000 to new projects, Public Services-COVID19 and Belmont Park
CDBG-Owner-Occupied Land Acquisition (Acquisition)	CDBG- \$100,000	CDBG-\$0	-100,000- CDBG	Reprograms \$100,000 to new projects, Public Services-COVID19 and Belmont Park
HOME-Miracles Outreach Community Development Center (New Construction)	HOME- \$657,020	HOME - \$0	-\$657,020-HOME	Reprograms \$657,020 to HOME-Emergency Rent/Mortgage/Utilities Assistance and HOME-Multi-Family New Construction
HOME-Emergency Rent/Mortgage/Utilities Assistance (NEW PROJECT)	HOME - \$0	HOME- \$300,000	+300,000-HOME	New project funded with reprogrammed funds from HOME-Miracles Outreach Community Development Center
HOME-Multi-Family New Construction (New Construction)	HOME-\$500,000	HOME-\$857,020	+\$357,020-HOME	Reprogrammed from HOME-Miracle Outreach Community Development Center
HOME-HOME Administration/Planning	HOME-\$88,398	HOME-\$145,994	+57,596-HOME	Adds \$57,596 in HOME admin. funds added from COVID-19 (25%)

All other activities and funding not listed above will be unaffected by the proposed amendment.

Analysis

This proposal qualifies as a substantial amendment because it meets two (2) of the four (4) criteria within the CPP:

- There is a reallocation/reprogramming of funds equaling more than 25 percent in the aggregate of the City’s annual CDBG and HOME entitlement for that program year; and
- A decision is made to carry out an activity not previously described in the Consolidated Plan and/or Annual Action Plan(s), including program income.

Public Process

The City of Clearwater will provide a public notice in the newspaper advertising a 5-day public comment period as part of the CPP requirements. In order to timely respond to the COVID-19 emergency, HUD has reduced the required public comment period to 5 days. The 5-day public comment period will begin on April 27, 2020. Additionally, two (2) public hearings will be held to provide opportunities for public comment:

- Neighborhood & Affordable Housing Advisory Board (NAHAB) Meeting, May 1, 2020, 2:00 p.m., Council Chambers located at the City’s Main Library, 100 N. Osceola Avenue, 33756

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DRAFT April 24, 2020**

- City Council Meeting, May 7, 2020, 6:00 p.m., Council Chambers located at the City's Main library, 100 N. Osceola Avenue, 33756

Comments may also be provided to Charles (Chuck) Lane, Assistant Director of Economic Development and Housing, by email at Charles.Lane@myclearwater.com or phone (727)562-4023, or in writing addressed to the City of Clearwater Economic Development and Housing Department, P.O. Box 4748, Clearwater, Florida, 33758. Due to hazards related to the COVID-19 pandemic, hard copies will not be made available at public buildings for review during the Public Comment Period. Hard copies may be available upon request.

The City will provide technical assistance to citizens and groups representative of persons of low and moderate income that request such assistance in the review of program activities and program amendments. In addition, the City will make adequate and reasonable provisions to assist non-English speaking residents in interpreting program opportunities and provisions on a case-by-case basis, as well as provide auxiliary aides and services for individuals with disabilities. Requests for special accommodations must contact Charles (Chuck) Lane, Assistant Director of Economic Development and Housing at the contact information above.