



Legislation Text

File #: 21-086, **Version:** 1

A resolution to approve CARES Act Substantial Amendment 2 to the 2020-2024 Consolidated Plan/2020 Annual Action Plan

Presenter:

Catherine Duarte, AICP, Senior Analyst, Community Development Division

Summary:

The City has amended its 2020-2024 Consolidated Plan/2020 Annual Action Plan to include the first round of CARES Act funding in 2020. Community Development now needs to amend this same plan to accommodate the last rounds of special CDBG and ESG funding allocated from HUD through the CARES Act.

Approval of this amendment will allow the City to enter into a funding agreement with HUD to receive its last round of CARES Act funding for \$2 million in Community Development Block Grant (CDBG) and \$5 million in Emergency Solutions Grant (ESG) funds.

Background:

As a grantee of regular HUD entitlement funding, the City of Colorado Springs has been awarded special allocations of CDBG and ESG funding from the March 2020 CARES Act. In round 1, the City received \$1,811,610 in additional CDBG funds and \$887,124 in additional ESG funds. These were amended into our 2020-2024 Consolidated Plan/2020 Annual Action Plan last fall. The next round of funding includes an addition \$2,064,639 in CDBG and \$5,097,279 in ESG funds, which is what this amendment seeks to include into the plan referenced above.

This current amendment enables the Community Development Division to add these additional sources of funding known as CDBG-CV and ESG-CV1 and their purposes in the plans, in HUD's national grant tracking system, and to notify the public of the change. This process is to ensure transparent handling of these emergency funds.

This item supports the City of Colorado Springs 2020-2024 Strategic Plan goal of Building Community and Collaborative Relationships by working with partner agencies to make available CARES Act funding to residents affected by the coronavirus pandemic.

Previous Council Action:

Council approved the submittal of Amendment 1 in September 2020.

Financial Implications:

Council's approval of this resolution will allow the Community Development Division to submit its second amendment request to HUD. HUD's approval will allow the City of Colorado Springs to enter into a funding agreement with HUD and access the \$2,064,639 in CDBG-CV and \$5,097,279 in ESG-

CV funds to help low-income residents weather the pandemic.

Please note that Council has already gone through the supplemental appropriation to spend these funds. This amendment is an acknowledgement to HUD that Council supports the additional funding and the Division's strategy for deploying the funds.

City Council Appointed Board/Commission/Committee Recommendation:

N/A

Stakeholder Process:

CDD staff has followed the guidelines of its newly amended Citizen Participation Plan. The Division noticed the proposed changes in the Gazette, on the City website, and via email to stakeholders. They held a shortened public review and comment period as allowed by HUD.

Despite the short amendment review period, CDD has been working extensively since the start of the pandemic with emergency response teams, housing providers, service providers, philanthropic organizations, homeless advocates, and peer agencies on the needs in the community and the capacity of local providers to take on more federal funding.

Alternatives:

Council can elect not to approve the resolution and turn down the \$7,161,918 in CARES Act funding to prevent, prepare for and respond to the coronavirus.

Proposed Motion:

Approve a resolution allowing the submittal of the proposed substantial amendment to the 2020-2024 Consolidated Plan/2020 Annual Action Plan to the U.S. Department of Housing and Urban Development.

N/A