



Legislation Details (With Text)

File #: 200329-A **Version:** 1 **Name:**

Type: Bill **Status:** ENACTED

File created: 5/21/2020 **In control:** Committee on Finance

On agenda: **Final action:** 6/25/2020

Title: Approving a Substantial Amendment to the Annual Action Plan 2019-2020 to add \$40,410,779 in Federal Coronavirus Aid, Relief and Economic Security Act (CARES) funding, all under certain terms and conditions.

Sponsors: Council President Clarke, Councilmember Green

Indexes: COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBGs)

Code sections:

Attachments: 1. Bill No. 200329-A01, As Amended on Floor.pdf, 2. CertifiedCopy200329-A01.pdf

Date	Ver.	Action By	Action	Result	Tally
6/26/2020	1	MAYOR	SIGNED		
6/25/2020	0	CITY COUNCIL	READ AND PASSED	Pass	17:0
6/18/2020	1	CITY COUNCIL	AMENDED		
6/18/2020	1	CITY COUNCIL	ORDERED PLACED ON FINAL PASSAGE CALENDAR FOR NEXT MEETING.		
6/18/2020	0	CITY COUNCIL	READ		
6/11/2020	0	CITY COUNCIL	SUSPEND THE RULES OF THE COUNCIL		
6/11/2020	0	CITY COUNCIL	ORDERED PLACED ON THIS DAY'S FIRST READING CALENDAR		
6/11/2020	0	CITY COUNCIL	READ AND ORDERED PLACED ON NEXT WEEK'S SECOND READING CALENDAR		
6/8/2020	0	Committee on Finance			
6/8/2020	0	Committee on Finance			
6/8/2020	0	Committee on Finance			
5/21/2020	0	CITY COUNCIL			

Approving a Substantial Amendment to the *Annual Action Plan 2019-2020* to add \$40,410,779 in Federal Coronavirus Aid, Relief and Economic Security Act (CARES) funding, all under certain terms and conditions.

WHEREAS, In accordance with the approval of City Council in Bill No. 190441 (approved June 26, 2019), the City has filed applications for various forms of United States Department of Housing and Urban Development (“HUD”) funding, as set forth in the City’s *Annual Action Plan 2019-2020*; and

WHEREAS, The CARES Act included supplemental formula allocations to the United States Department of

Housing and Urban Development (HUD) Community Planning and Development (CPD) programs. A total of \$26,257,809 in CDBG-CV, \$12,976,572 in ESG-CV, and \$1,059,147 in HOPWA-CV funding was allocated to the City of Philadelphia. In addition, HUD awarded \$117,251 in HOPWA-CV funding to the City for Bensalem Township, which the City manages for HUD under a separate grant agreement; and

WHEREAS, The City has prepared a Substantial Amendment to the *Annual Action Plan 2019-2020* (attached hereto as Exhibit “A), now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The City’s Substantial Amendment to the *Annual Action Plan 2019-2020* attached hereto as Exhibit “A,” is hereby approved.

Exhibit A

City of Philadelphia
Substantial Amendment to the Annual Action Plan - City Fiscal Year 2020
HUD Program Year 2019
CARES Act Allocation - CDBG, ESG, and HOPWA

BACKGROUND

On March 27, 2020 the Federal Coronavirus Aid, Relief and Economic Security Act (CARES) was signed into law to assist communities in their efforts to prevent, prepare for and respond to the coronavirus COVID19. The CARES Act included supplemental formula allocations to the United States Department of Housing and Urban Development (HUD) Community Planning and Development (CPD) programs. A total of \$26,257,809 in CDBG-CV, \$12,976,572 in ESG-CV, and \$1,059,147 in HOPWA-CV funding was allocated to the City of Philadelphia. In addition, HUD awarded \$117,251 in HOPWA-CV funding to the City for Bensalem Township, which the City manages for HUD under a separate grant agreement.

In accordance with the City’s Citizen Participation Plan, a substantial amendment to the *City’s FY 20 Annual Action Plan* is required. In response to COVID-19 and the urgency of need, HUD issued waivers for the substantial amendment process that reduce the public comment period to not less than 5 days, allow for virtual public hearings when necessary for public health reasons, and provide for reasonable notice to provide opportunity for public comment.

The City notified HUD of its intent to utilize these waivers and amended its Citizen Participation Plan to incorporate these changes. In addition, the City must provide notice of the *Proposed Substantial Amendment* to individuals and organizations on DHCD’s electronic mailing list, public notice of the proposed amendment in a newspaper of general circulation, and guidance as to where it may be reviewed and how comments on the proposed change may be submitted. City Council will hold a public hearing to allow for additional resident participation prior to Council consideration of the *Proposed Substantial Amendment*. Notification by City Council will be in the “Legal Notices” section of various newspapers.

The proposed programs outlined in this amendment and detailed below are designed to continue and implement programs to respond to increased housing, economic and community development needs due to job loss and

local funding reductions as a result of COVID-19. The City and its grantees will comply with all HUD CARES Act programmatic regulations and special conditions.

PROPOSED AMENDMENT

1. CDBG-CV Budget Allocation - \$26,257,809

PROGRAM	AMOUNT
<i>Basic Systems Repair Program (BSRP) - roof, electrical, plumbing and structural repairs</i>	3,758,000
<i>Targeted BSRP - leverage home repair services to Habitat for Humanity/Rebuilding Together Philadelphia</i>	500,000
<i>Housing Counseling & Legal Services - prevent eviction & foreclosure</i>	2,800,000
<i>Emergency Mortgage Assistance - one-time payment to lender for work-out agreement</i>	1,000,000
<i>Emergency Rental Assistance - payment to landlords to cover 3 months of rent</i>	11,500,000
<i>Vacancy Prevention - VIP provide services & funds to resolve tangled-title issues</i>	500,000
<i>Utility Emergency Services Fund - assists residents w/ utility arrears</i>	1,570,000
<i>Technical Assistance to Small Businesses - TA to strengthen minority/small business</i>	500,000
<i>Neighborhood Development Fund - assist neighborhood business to reopen/retool</i>	1,140,000
<i>Targeted Corridor Management Program- CBOs increase outreach/assistance to businesses</i>	510,000
<i>Neighborhood Advisory Committees - increase outreach to connect residents to programs</i>	313,809
<i>Administration</i>	
PHDC	1,750,000
DHCD	250,000
Commerce	166,000
TOTAL	\$26,257,809

2. ESG-CV Budget Allocation - \$12,976,572

PROGRAM	AMOUNT
<i>Emergency Shelter</i>	9,026,145
<i>Rapid Rehousing - focus on moving people in emergency housing programs into permanent stable housing. Assist up to 24 months over any three-year period.</i>	505,000
<i>Homelessness Prevention - target people “imminently at risk” of becoming homeless. Assist once in a 12-month period</i>	2,176,416
<i>Administration</i>	1,269,011
TOTAL	\$12,976,572

**3. HOPWA-CV Budget Allocation (Philadelphia) - \$1,059,147
HOPWA-CV Budget Allocation (Bensalem Township) - \$117,251**

PROGRAM - Philadelphia & Bensalem	AMOUNT
<i>Short Term Rental, Mortgage and Utility Assistance</i>	499,251

Tenant Based Rental Assistance	516,050
Sponsor Administration	90,550
DHDC Administration	70,547
TOTAL	\$1,176,398

PUBLIC COMMENT

The deadline for comments is June 5, 2020. Comments should be directed to Mark Dodds by email at Mark.Dodds@phila.gov or via U.S. mail at Division of Housing and Community Development 1234 Market St. 17th Floor Philadelphia, PA 19107.

If City Council adopts the amendment in the form of a resolution as submitted, the amendment will be adopted after the hearing without further notification. If the hearing results in a revision that is ultimately adopted by City Council, the City will publish notification of the availability of the revised amendment in a newspaper of general circulation. The finalized notice may be obtained by contacting DHCD.

AP-35 PROJECT TABLE in PY 2019 Annual Action Plan - CV Project additions in red

1	Neighborhood-Based Rental Production
2	Homeless and Special Needs Housing Production
3	Homeowner Settlement Assistance
4	Housing Counseling and Foreclosure Prevention
5	Tenant Landlord Counseling and Eviction Prevention
6	Vacancy Prevention Activities
7	Basic Systems Repair Program /Targeted
8	Neighborhood-Based Rental Housing Preservation
9	Emergency Solutions Grant (ESG)
10	Rental Assistance/Homeless
11	Homeless Prevention Program
12	Utility Emergency Services Fund (UESF)
13	Adaptive Modifications Program (AMP)
14	Energy Coordinating Agency
15	Neighborhood Services
16	Community Design Collaborative
17	Philadelphia Association of CDCs (PACDC)
18	Earned Income Tax Credit
19	Business Loan Program
20	Section 108 Loan Program (PIDC)
21	Technical Assistance to Micro Businesses
22	Storefront Improvement Program and Target Block Façades

23	Targeted Neighborhood Business Attraction & Expansion
24	PIDC Neighborhood Development Fund
25	Neighborhood Development Grants
26	Targeted Corridor Revitalization Management Program (TCMP)
27	Public Services for Commercial Corridors
28	Capacity Building for CDCs
29	YouthBuild Philadelphia
30	Pennsylvania Horticultural Society (PHS)
31	Pennsylvania Horticultural Society (PHS)
32	ActionAIDS-TBRA
33	ActionAIDS/Pathways
34	Catholic Social Services
35	Congreso de Latinos Unidos
36	Delaware County Department of Human Services
37	Gaudenzia, Inc.
38	Mazzoni Center
39	PCRC/TURN
40	PHMC DEFA
41	CV-Housing Counseling and Foreclosure/Eviction Prevention
42	CV-Vacancy Prevention Activities
43	CV-Basic Systems Repair Program (BSRP) and Targeted BSRP
44	CV- Emergency Solutions Grant (ESG)
45	CV- Utility Emergency Services Fund (UESF)
46	CV- Mortgage/Rental Assistance
47	CV-Neighborhood Services
48	CV-Technical Assistance to Small Businesses
49	CV-Neighborhood Development Fund
50	CV- Targeted Corridor
51	CV- Delaware County Department of Human Services
52	CV-Mazzoni Center
53	CV-PHMC DEFA

AP-38 - PROJECT SUMMARY - CV Project Additions

41	Project Name	CV-Housing Counseling and Foreclosure/Eviction Prevention
	Target Area	Philadelphia

	Goals Supported	AFH: Preserve Affordable Homeowner Housing (15-17, 33)
	Needs Addressed	AFH Factor: Lack of Access to Housing and Services
	Funding	CDBG-CV: \$2,800,000
	Description	To meet increased need due to COVID-19 the City will support housing counseling and legal services agencies to provide tenant, mortgage default and delinquency, foreclosure and eviction prevention counseling.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	2,500 very low-, low- to moderate-income households.
	Location Description	Citywide
	Planned Activities	To meet increased need due to COVID-19 support housing counseling and legal services agencies to provide eviction and foreclosure prevention counseling, to increase housing stability.

42	Project Name	CV- Vacancy Prevention Activities
	Target Area	Philadelphia
	Goals Supported	AFH: Preserve Affordable Homeowner Housing (15-17, 33)
	Needs Addressed	AFH Factor: Lack Access to Housing and Services
	Funding	CDBG-CV- \$500,000
	Description	To meet increased need due to COVID-19 Philadelphia VIP will provide legal services to assist low-income homeowners resolve tangle title issues to enable them to remain in their housing.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	200 very low-, low- to moderate-income households.
	Location Description	Citywide
	Planned Activities	Philadelphia VIP will provide legal services and funds to assist low-income homeowners resolve tangle title issues.

43	Project Name	CV-Basic Systems Repair Program/Targeted
	Target Area	Philadelphia
	Goals Supported	AFH: Preserve Affordable Homeowner Housing (15-17, 33)
	Needs Addressed	AFH Factor: Age/Condition Housing Stock
	Funding	CDBG-CV: \$3,758,000 (BSRP) \$500,000 (Targeted)
	Description	Support roof, electrical, plumbing and structural repairs to enable low-income-homeowners to remain in their homes. Increased need as a result of COVID-19. The average cost of repairs is \$10,000. Also provide leveraged repair services in targeted blocks of the City.
	Target Date	6/30/2021

	Estimate the number and type of families that will benefit from the proposed activities	420 Housing Units occupied by very low-, and low- income households.
	Location Description	Citywide
	Planned Activities	Home improvement repairs to enable low-income residents in their homes. Provide leveraged service to Habitat for Humanity and Rebuilding Together in targeted areas.

44	Project Name	CV-Emergency Solutions Grant (ESG)
	Target Area	Philadelphia
	Goals Supported	Homeless and Special-Needs Housing and Services (23)
	Needs Addressed	Shortage of Homeless and Special-Needs Housing
	Funding	ESG-CV:\$12,976,572
	Description	To meet increased need due to COVID-19, ESG-CV will be used to support emergency shelter operations, housing relocation and stabilization services for both homelessness prevention and Rapid Re-housing purposes, and HMIS data collection.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	2,200 very low-to moderate-income households will benefit.
	Location Description	Citywide
	Planned Activities	To meet increased need due to COVID-19, ESG-CV will be used to support emergency shelter operations, housing relocation and stabilization services for both homelessness prevention and Rapid Re-housing purposes and HMIS data collection.

45	Project Name	CV-Utility Emergency Services Fund (UESF)
	Target Area	Philadelphia
	Goals Supported	Homeless and Special-Needs Housing and Services (23)
	Needs Addressed	AFH Factor: Lack of Access to Housing and Services
	Funding	CDBG-CV: \$1,570,000
	Description	To meet increased need due to COVID-19, th City will provide emergency grants to assist low- income families through UESF.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	2,700 very low-, low- to moderate-income households will benefit.
	Location Description	Citywide
	Planned Activities	To meet increased need due to COVID-19 the City will provide emergency grants to assist low- income families through UESF.

46	Project Name	CV-Mortgage/Rental Assistance
	Target Area	Philadelphia

	Goals Supported	AFH: Preserve Affordable Rental Housing Units(4)
	Needs Addressed	AFH Factor: Displacement Due to Economic Pressures
	Funding	CV-CDBG: \$11,500,000
	Description	Rental and mortgage assistance to increase housing stability and enable persons to remain in their homes for those who experiencing economic hardship due to COVID-19.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	4,400 very low- and , low- income households will benefit.
	Location Description	Citywide
	Planned Activities	Rental and mortgage assistance will be provided to help persons or families remain in their homes for those who have experienced housing instability due to COVID-19

47	Project Name	CV-Neighborhood Services
	Target Area	Philadelphia
	Goals Supported	Foster Open Access to All Housing and Community Resources
	Needs Addressed	AFH Factor: Lack Access to Housing and Services
	Funding	CV-CDBG:
	Description	To meet increased need due to COVID-19, the City will fund the Neighborhood Advisory Committees (NAC) to provide referral services to ensure residents are connected to programs.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	550,000 persons living in very low-, low- to moderate- income neighborhoods will benefit.
	Location Description	Citywide
	Planned Activities	The City will fund the Neighborhood Advisory Committees (NACs) to increase outreach and provide referral services to connect low-income residents to programs.

48	Project Name	CV-Technical Assistance to Small Businesses
	Target Area	Philadelphia
	Goals Supported	AFH: Expand Education, Economic and Self-Sufficiency (43, 44)
	Needs Addressed	AFH Factor: Lack of Access to Opportunity
	Funding	CV-CDBG: \$500,000
	Description	The City to assist small and minority businesses with tax prep and financial management practices to enable them to reopen safely and profitably during and after the COVID-19 crisis. TA providers include the Welcoming Center, the Enterprise Center and Finatna..
	Target Date	6/30/2021

	Estimate the number and type of families that will benefit from the proposed activities	50 businesses that provide goods and/or services in low- to moderate-income neighborhoods will benefit.
	Location Description	Citywide
	Planned Activities	The City to assist small and minority businesses with tax prep and financial management practices to enable them to reopen safely and profitably during and after the COVID-19 crisis. TA providers include the Welcoming Center, the Enterprise Center and Finanta.

49	Project Name	CV-Neighborhood Development Fund
	Target Area	Philadelphia
	Goals Supported	AFH: Expand Education, Economic & Self-Sufficiency (43, 44)
	Needs Addressed	AFH Factor: Lack of Access to Opportunity
	Funding	CDBG-CV: \$1,140,000
	Description	The City will provide financial assistance to nonprofit businesses, CDC development projects and neighborhood commercial corridor businesses to assist with re-opening & reconfiguration of business during & after the COVID-19 crisis.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	100,000 people living in very low-, low- to moderate- income areas will benefit.
	Location Description	Citywide
	Planned Activities	The City will provide financial assistance to nonprofit businesses, CDC development projects and neighborhood commercial corridor businesses to assist with re-opening & reconfiguration of business during & after the COVID-19 crisis

50	Project Name	Targeted Corridor Revitalization Management Program (TCMP)
	Target Area	Philadelphia
	Goals Supported	AFH: Expand Education, Economic and Self-Sufficiency (43, 44)
	Needs Addressed	AFH Factor: Lack of Access to Opportunity
	Funding	CDBG-CV: \$510,000
	Description	The City to support Corridor Manager training and updated technology and to enable them to increase outreach and assistance to neighborhood corridor businesses during and after the COVID-19 crisis, These activities will be carried out primarily by Community-Based Development Organizations (CBDOS).
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	550,000 persons living in very low-, low- to moderate- income neighborhoods will benefit.
	Location Description	Citywide

	Planned Activities	The City will support CBDOs to increase assistance to neighborhood corridor business to meet increased needs due to COVID-19.
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51	Project Name	CV-Delaware County Department of Human Services
	Target Area	Philadelphia
	Goals Supported	Homeless & Special Needs Housing & Services (23)
	Needs Addressed	Shortage of Homeless and Special Needs Housing
	Funding	HOPWA-CV: \$56,100
	Description	To meet increased needs due to COVID-19, this project will provide TBRA, Housing Information, Permanent Housing Placement, and administration costs for and individuals and families with a member living with AIDS. All COVID-19 waivers will be included in program guidelines.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	4 very low- to moderate-income families with a member living with AIDS will benefit from this TBRA support.
	Location Description	Delaware County, PA, as part of the Philadelphia HOPWA EMA.
	Planned Activities	4 very low- to moderate-income families with a member living with AIDS will benefit from this TBRA support.

52	Project Name	CV-Mazzoni Center
	Target Area	Philadelphia
	Goals Supported	Homeless & Special Needs Housing & Services (23)
	Needs Addressed	Shortage of Homeless and Special Needs Housing
	Funding	HOPWA-CV: \$509,500
	Description	To meet increased needs due to COVID-19, this project will provide tenant-based rental assistance, housing information, permanent housing placement and administration for individuals and/or families with a member living with AIDS. All COVID-19 waivers will be included in program guidelines.
	Target Date	06/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	44 very low- to moderate-income individuals or families with a member living with AIDS will benefit from this project.
	Location Description	Citywide
	Planned Activities	44 very low- to moderate-income families with a member living with AIDS will benefit from this TBRA support.

53	Project Name	CV-PHMC DEFA
	Target Area	Philadelphia
	Goals Supported	Homeless & Special Needs Housing & Services (23)
	Needs Addressed	Shortage of Homeless and Special Needs Housing
	Funding	HOPWA-CV \$440,000 - Philadelphia HOPWA-CV: \$110,251 - Bensalem
	Description	Due to increased needs due to COVID-19, this project will fund STRMU Payments and Permanent Housing Placement for individuals or families with a member living with AIDS. All COVID-19 waivers will be included in program guidelines
	Target Date	06/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	250 very low- to moderate-income individuals and/or families with a member living with AIDS will benefit.
	Location Description	Citywide.
	Planned Activities	STRMU Payments and Permanent Housing Placement for individuals or families with a member living with AIDS.

Addendum to Exhibit A

City of Philadelphia *Substantial Amendment to the Annual Action Plan - City Fiscal Year 2020* *HUD Program Year 2019* CARES Act - Second Allocation ESG

BACKGROUND

On March 27, 2020 the Federal Coronavirus Aid, Relief and Economic Security Act (CARES) was signed into law to assist communities in their efforts to prevent, prepare for and respond to the coronavirus COVID19. The CARES Act included supplemental formula allocations to the United States Department of Housing and Urban Development (HUD) Community Planning and Development (CPD) programs. A second allocation of \$22,293,192 in ESG-CV was allocated to the City of Philadelphia.

In accordance with the City’s Citizen Participation Plan, a substantial amendment to the *City’s FY 20 Annual Action Plan* is required. In response to COVID-19 and the urgency of need, HUD issued guidance that ESG recipients have the immediate ability to omit the citizen participation and consultation requirements for substantial amendments and new consolidated plan submissions for ESG-CV funding. The City will meet the HUD requirement to publish how it will use this allocation on its website - <https://www.phila.gov/documents/five-year-consolidated-plan-annual-action-plans-and-reports/>. The proposed activities and budget are detailed below.

PROPOSED AMENDMENT

The City, through the Office of Homeless Services, plans to meet new and emergent needs for people experiencing or at imminent risk of homelessness in the wake of the COVID pandemic. The anticipated service

suite to be provided includes homeless outreach to those who are unsheltered, emergency and temporary housing, homelessness prevention and rapid rehousing with a special focus on those who are at greater risk of serious illness if they contract COVID. OHS is also exploring the establishment of tiny home villages and other alternative temporary housing options that enable people to both have community and personal space to protect themselves from contracting or spreading the virus. OHS will also focus on addressing the unique needs of people with limited English proficiency, refugees, immigrant and underserved communities who may be living in unsafe conditions.

ESG-CV Second Budget Allocation - \$22,293,192

<i>PROGRAM</i>	<i>AMOUNT</i>
<i>Outreach</i>	2,229,319
<i>Emergency/ Temporary Housing including potentially tiny houses</i>	8,917,277
<i>Rapid Rehousing - focus on moving people in emergency housing programs into permanent stable housing. Assist up to 24 months over any three-year period.</i>	6,687,958
<i>Homelessness Prevention - financial assistance to people imminently at risk of becoming homeless.</i>	2,229,319
<i>Administration</i>	2,229,319
TOTAL	\$22,293,192