

## Summary

The City of Hammond is amending its PY2019 Annual Action Plan and PY2017-2021 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 Community Development Block Grant (CDBG) funding in the amount of \$1,257,099 and Emergency Solutions Grant (ESG) funding in the amount of \$635,393 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 ESG 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 funding to address community needs related to COVID, with a focus on business assistance, housing and homeless assistance.

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 ESG 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 ESG funds to mitigate the impact of COVID-19.

The City is seeking comments on the proposed use of CDBG and ESG funds for COVID-19 mitigation purposes. The City will consider all comments received before 4:30 PM on June 5, 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: [millero@gohammond.com](mailto:millero@gohammond.com).

The City will hold a public hearing to gather comments on the proposed use of funds on June 22, 2020.

## 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 2017-2021 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 Hammond will add “COVID Emergency” as a High Priority Need.

### Adding COVID Response as a Goal

The City of Hammond 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 Hammond will allocate the \$1,257,099 CDBG-CV and \$635,393 ESG award to the following uses more fully described in the following pages. 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 - CDBG	\$1,171,263
2. COVID-19 Social Services – CDBG	\$85,836
3. COVID-19 Housing Assistance - ESG	\$552,213
4. COVID-19 Shelter Assistance - ESG	\$83,180

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<b>TOTAL</b>	<b>\$1,892,492</b>
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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: \$1,171,263
	<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 \$10,000 will be provided to businesses. 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>	\$10,000 per business, the City will be able to assist 90 businesses.
	<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>

City of Hammond, Indiana FY 2019 Annual Action Plan

Substantial Amendment for COVID Response

2	<b>Project Name</b>	COVID-19 Social Services
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID Response
	<b>Needs Addressed</b>	COVID Emergency
	<b>Funding</b>	CDBG-CV: \$85,836
	<b>Description</b>	CDBG-CV funds will support non-profits helping low income families impacted by COVID.
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	1,000 persons
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	Public Services (05) – 570.201(e) Limited Clientele (LMC) 570.208(a)(2)

3	<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>	ESG-CV: \$552,213
	<b>Description</b>	ESG-CV funds will be provided to income-eligible residents economically impacted by the COVID outbreak to make rent payments.
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	Assuming an average amount of assistance of \$500, the City expects to assist 1,000 households
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	Homeless Prevention Rapid Re-housing

Substantial Amendment for COVID Response

4	<b>Project Name</b>	COVID-19 Shelter Assistance
	<b>Target Area</b>	Citywide
	<b>Goals Supported</b>	COVID Response
	<b>Needs Addressed</b>	COVID Emergency
	<b>Funding</b>	ESG-CV: \$83,180
	<b>Description</b>	ESG-CV – funds will support homeless shelters to properly respond to new needs due to COVID-19.
	<b>Target Date</b>	June 30, 2021
	<b>Goal</b>	100 persons
	<b>Location</b>	Citywide
	<b>Planned Activities</b>	ESG Shelter Operations