

Substantial Amendment to the 2018–2022 Georgia Consolidated Plan and Program Year 2019 Annual Action Plan to include CARES Act Funding for CDBG, ESG, and HOPWA (FINAL as of June 30, 2020)

Summary: The State of Georgia’s 2018-2022 Consolidated Plan details the funding strategy for the Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The Annual Action Plan (AAP) details each year within the Georgia Consolidated Plan and outlines the implementation of annual funding, which is developed through public input, analyses, and planning.

In 2019, the State of Georgia submitted the PY2019 AAP to the U.S. Department of Housing and Urban Development (HUD). Additionally, the State of Georgia’s Citizen Participation Plan (CPP) describes the efforts that the State will take to encourage its residents to participate in developing these plans. The plan also includes the public process when a substantial amendment to the Annual Plan is proposed.

Amendments to the approved Consolidated Plan are required whenever a jurisdiction makes one or more of the following decisions:

- (1) Make a change in its allocation priorities or a change in the method of distribution of funds;
- (2) Carry out an activity, using funds from any program covered by the Consolidated Plan (including program income), not previously described in the action plan; or
- (3) Change the purpose, scope, location, or beneficiaries of an activity.

This Substantial Amendment addresses the appropriation of \$82,850,607 through the first three tranches of CARES CDBG-CV and possible additional funding through the third tranches for the State through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136 to allow funding for activities to prevent, prepare for, or respond to the Coronavirus.

Specifically, Georgia’s amendment will:

- Add the supplemental awards and program activities for CDBG-CV provided by the CARES Act to the PY2019 AAP; and
- Modify the CDBG Method of Distribution for the CDBG-CV program.

Citizen Participation Plan Process: Due to COVID-19, HUD has issued guidance that waives the Citizen Participation Plan requirements provided that: (1) no fewer than five days are provided for public comment and (2) reasonable notice and the opportunity to comment is provided. The public comment period began on **December 10, 2020** with the posting on the Georgia Department of Community Affairs website and distribution by e-mail to program stakeholders to inform the public of the proposed Substantial Amendment and inviting comments through **December 17, 2020**.

Citizens may review the Substantial Amendment and the Citizen Participation Plan at www.dca.ga.gov or may request a hard copy, if needed. All comments received during the public comment period will be incorporated into the final Substantial Amendment submitted to HUD.

Changes to the 2019 Annual Action Plan: HUD has awarded supplemental funding through the CARES Act that requires programming within one program year. The State of Georgia has selected the Program Year 2019 Annual Action Plan to expedite the receipt of CARES Act funds and the implementation of the programs.

The State of Georgia has received supplemental funding through the CARES Act for the following programs: Community Development Block Grant Coronavirus (CDBG-CV), Emergency Solutions Grant Coronavirus (ESG-CV), and Housing Opportunities for Persons with Aids Coronavirus (HOPWA-CV). HUD

has notified the State that additional funds may be provided for each category depending on a formula determined by HUD pertaining to state COVID-19 related metrics.

The additional programming and substantial funding increase from the CARES Act depicted in the chart below require a substantial amendment and public notice as described in the Citizen Participation Plan.

Modifications for Program Year 2019

Proposed Activity	Ending Date	Existing Budget	New Budget
Increase Funding/Programing			
CDBG-CV Round 1	12/31/2026	New Funding/NA	\$ 24,960,281
Public infrastructure – Broadband			\$ 23,213,061
Administration & Technical Assistance			\$ 1,747,220
CDBG-CV Round 2	12/31/2026	New Funding/NA	\$ 35,499,505
Emergency Rental Assistance			\$ 26,227,601
Public infrastructure – Broadband			\$ 6,786,939
Administration & Technical Assistance			\$ 2,484,965
CDBG-CV Round 3	12/31/2026	New Funding/NA	\$ 22,390,821
Emergency Rental Assistance			\$ 8,772,399
Planning			\$ 2,051,065
Public Facilities – to support response to COVID-19			\$ 10,000,000
Administration & Technical Assistance			\$ 1,567,357
Total CDBG-CV CARES Act funding (Rounds 1,2 and 3)			\$ 82,850,607

Proposed activity changes by Program: The Georgia Department of Community Affairs, Community Finance Division, as the designated administrator of the State of Georgia’s State CDBG and CDBG-CV programs amends the program activity to use the CARES Act funding to fund public assistance activities which includes payments to assist with short-term emergency rental assistance, public infrastructure which includes broadband infrastructure and other public facilities which may include capital expenses for food banks and/or vaccine storage/refrigeration.

CDBG-CV Round 1 – Broadband

- DCA will develop a geographically targeted program to construct and/or expand broadband in unserved and/or underserved areas of the State’s non-entitlement program participants.
- The geographic targeting is intended to address the pressing need in rural Georgia where broadband is inadequate to serve the needs of LMI communities. Rural healthcare and access to broadband for schools and businesses creating and/or retaining jobs are just three basic needs being experienced.
- The ability for students to complete schoolwork remotely, adults having the ability to telework, and the need for telehealth options for Georgians, primarily in rural Georgia, became immediately evident as an issue that existed as a result of COVID-19. Months after the pandemic began, these factors remain as lives and livelihoods continue to be negatively impacted by COVID-19. Therefore, Georgia has identified the provision of broadband as necessary to “prevent, prepare for, and respond to COVID-19.”

- Targeted areas will be determined using recently developed maps for the state’s new Broadband initiative. We will be able to overlay unserved areas and LMI areas to determine the areas of highest need to prevent, prepare and respond to areas being adversely affected by COVID-19.
- Georgia’s CDBG-CV strategy for identifying targeted areas to encourage broadband development will utilize all available sources of information, but will rely primarily on data used in the development of the Georgia Broadband Development Initiative.
- Local governments in these targeted areas will be eligible to apply for Round 1 CDBG-CV funds.

CDBG-CV – Round 2

- Additional funding for Broadband with the targeted geography to be expanded to include as eligible applicants Entitlement program grantees in addition to those included in the State’s CDBG program who otherwise are in the targeted areas.
- Add additional funding to the Department’s ESG CARES Act funding to supplement the great need for rental assistance following the lifting of eviction moratoria set to expire.

The State of Georgia plans to amend the current Method of Distribution to directly fund units of local government.

CDBG-CV Round 3

- Additional funding for Emergency Rental Assistance for targeted use statewide.
- Planning to ensure the state is prepared to take steps necessary to monitor, track, and report to the public on the spread of COVID-19 within the state of Georgia.
- Provide funding to ensure the health and safety of all Georgian’s through the construction, rehabilitation or enhancement of facilities necessary to respond to and prevent further spread of COVID-19. This may include, but not be limited to, facilities for vaccine storage, distribution of vaccines, public health departments, or any other facility the Department deems necessary to prevent, prepare for or respond to COVID-19.

To date, the State of Georgia has received three rounds of CARES Act funding totaling \$ 82,850,607.

A portion of the funds will be used for the administrative costs incurred by the State and its grantees.

Public Comments: The State of Georgia is providing notice for the following public comment period:

- **Comment Period to Add CARES Act funding and to modify the CDBG MOD:**
A five-day public comment period begins on December 10, 2020 with the posting on the Georgia Department of Community Affairs website and distribution by email to program and inviting comments through December 17, 2020.

The Substantial Amendment and DCA’s Citizens Participation Plan is available on the Georgia Department Affairs website at www.dca.ga.gov. Comments and questions may be submitted:

By email to CDBG-CV@dca.ga.gov.

By mail to:
Georgia Department of Community Affairs
Community Finance Division/CDBG-CV
60 Executive Park South, NE
Atlanta, Ga 30329