

Substantial Amendment #2 to the 2020-2024 Consolidated Plan and 2020-2021 Annual Action Plan for the Incorporation and Use of Community Development Block Grant -COVID Funds in Allen, TX

Responsive to perceived public need, the City of Allen established program objectives and criteria for its federal CARES Act programs in January 2021. CDBG-CV funds have been allocated in accordance with program guidelines released through the U.S. Department of Housing and Urban Development (HUD) since that time. As noted in January, the proposed activities reflected staff recommendations to address community needs responsive to COVID-19. However, recommendations as to how best to fund these proposals could change based on funding availability and demand for services. As such, future amendments will be made in accordance to HUD's guidelines and the City of Allen's Citizen Participation plan as amended. This proposed amendment is a result of that process.

Based on six months of implementation of the previously approved activities, City Staff has observed trends indicating that there is more demand for funding for the Small Business Grant Program than the Utility Billing Assistance Program. As such, this substantial amendment is proposed to move funds between activity areas as summarized below. It should be noted that the City's Citizen Participation Plan defines a non-substantial amendment as one that reallocates no more than 25% of funds between program areas. Non-substantial amendments do not require a public process or City Council action. The City initiated a 15% non-substantial amendment in February 2021 to move funds between activities. The aggregate of the previous non-substantial amendment and what is currently proposed exceeds 25% and thus requires a substantial amendment and related public process. An overview of the program areas and amendments are as follows:

HUD FUNDING CATEGORY: Public Services

ACTIVITIES INCLUDE: Emergency Utility Assistance, Tutoring Assistance, and Senior Food Assistance
FUNDS:

Original Allocation Approved in January 2021	Revised Allocation Approved through Non-Substantial Amendment in February 2021	Proposed Allocation
\$392,286.00	\$289,286.00	\$130,443.30

HUD FUNDING CATEGORY: Economic Development

ACTIVITY: Small Business Grants

FUNDS:

Original Allocation Approved in January 2021	Revised Allocation Approved through Non-Substantial Amendment in February 2021	Proposed Allocation
\$250,000	\$275,000	\$366,413.96

HUD FUNDING CATEGORY: Administration

ACTIVITIES INCLUDE: Community Needs and Resource Assessment, Staffing, Administrative Costs for Small Business Program, other administrative needs such as advertising and printing.

FUNDS:

Original Allocation Approved in January 2021	Revised Allocation Approved through Non-Substantial Amendment in February 2021	Proposed Allocation
\$30,000.00	\$108,000.00	\$175,428.74