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SUBSTANTIAL AMENDMENT  
2019-2020 ANNUAL ACTION PLAN  
CITIZEN PARTICIPATION PLAN

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**Background:**

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed to combat the spread and impacts of the coronavirus disease 2019 (COVID-19). Through the CARES Act, the United States Department of Housing and Urban Development (HUD) will grant the City of Norwalk with additional \$747,572 in CDBG-CV funds. Eligible activities must prevent, prepare for, or respond to COVID-19. Additionally, HUD will be granting waivers and suspensions to certain Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds. HUD has also passed guidelines for CDBG-CV funds to maximize the availability of funds for COVID-19. The City of Norwalk is required to amend the 2019-2020 Annual Action Plan and Citizen Participation Plan prior to implementation of waivers and utilization of CDBG-CV funds. The City understands that such waivers do not include affordability, income targeting, environmental, fair housing, and labor standards suspensions.

A substantial amendment to the Annual Action Plan is required when the City:

- Changes allocation priorities
- Expects to carry out a new or existing activity while using funds that has not been covered by the Consolidated Plan or included in the approved Action Plan;
- Allocates a substantial change (by \$35,000, except for planning and administration) in funds; or
- Modifies the location, scope, purpose, or recipients of an activity.

A substantial amendment to the Citizen Participation Plan is required when the City expects to alter procedures for publications, public notification, public commenting, and public hearings.

With the citizen participation public comment period and reasonable notice waivers, the City of Norwalk will implement a reasonable public notice and reduce the 30-day commenting period to 5-days for substantial amendments. The waiver for 15 percent public services activities cap will allow the City to fund additional public services activities that serve those affected by COVID-19. This will be reflected in the 2019-2020 Annual Action Plan and allocate additional funds to purchase personal protective equipment. Moreover, CDBG-CV funds will be used to cover increased administration costs. HUD is



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also extending the submission date for the Consolidated Annual Performance and Evaluation Report (Performance Report) to September 30, 2020, which the City will be implementing.

The waiver to limitations for administration costs will allow expenditures for administrative and planning costs up to 25 percent for Fiscal Year (FY) 2019 and 2020, instead of the mandatory 10 percent. The set-aside for CHDOs will waive the required 15 percent set-aside. This will be reduced to zero percent for FY 2017, 2018, 2019, and 2020. Reduction of matching contributions would greatly assist the City due to the urgent housing and economic needs created by COVID-19. This suspension will waive the requirement of the City to identify and provide matching contribution to HOME projects. Similarly, to CDBG-CV's reasonable notice and opportunity to comment waiver, HOME waiver also allows a reduction of commenting period to 5-days and amending to provide reasonable notice to the public. The City recognizes how difficult it may for CHDO's to meet their four-year project completion due COVID-19. Thus, the City will be granted with an extension to the project completion date. There would be a deadline extension for up to one-year. The City of Norwalk will be implementing these waivers, suspensions, and alternate submissions for the CDBG funds, CDBG-CV funds, HOME Funds, and reporting requirements.

**Proposed Amendment to 2019-2020 Annual Action Plan:**

The City will allocate additional CARES Act funds to assist those affected by the COVID-19 pandemic. The following lists the different activities and the amounts to be funded:

- *Business Assistance*  
HUD is allowing the provision of assistance to business, private and for-profit enterprises, due to closures from social distancing. The City will assist these entities to avoid job loss and other forms of aid to support existing and/or new businesses. This includes providing capital assistance to small businesses to create and retain jobs which will be held by low- and moderate-income persons in the City of Norwalk.

Allocated amount: \$660,000

- *Administrative Costs*  
HUD recognizes that funding additional activities and responding to COVID-19 will also increase administration and planning costs. The City will use CDBG-CV funds towards increased administration costs to support staff who are assisting with COVID-



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19 relief efforts throughout the City of Norwalk.

Allocated amount: \$87,542

All these activities are eligible under the CARES Act and would greatly assist the City of Norwalk combat against the spread of an infectious disease.

**Proposed Amendment to Citizen Participation Plan**

The City expects to modify their citizen participation procedures in order to facilitate social distancing and protect the health of both residents and City Staff. Such proposed amendments include providing reasonable opportunity of notice; reducing 30-day public commenting period to 5-days for substantial amendments; and allowing virtual hearings to meet the previous in-person hearing requirements. HUD understands it is difficult to conduct in-person hearings due to COVID-19. Thus, the City may meet public hearing requirements if local and/or state health authorities recommend social distancing and reducing public gatherings due to health reasons; and virtual hearings are provided with reasonable notice and access for residents in accordance with the City's certifications, timely responses to comments, and public access to all inquiries and responses. These changes would also allow the City to expedite the funding process to address impacts caused by COVID-19.

**Alternative Requirement for Consolidated Annual Performance and Evaluation Report (Performance Report)**

HUD has authorized the City to waive the Performance Report requirements from submission within 90 days after the end of the program year to 180 days due to the outbreak of COVID-19. The City of Norwalk will be submitting their Performance Report by September 30, 2020 to fulfill HUD regulations.

**Public Comments:**

The City of Norwalk will address and incorporate comments received during the 5-day public commenting timeframe between May 14, 2020 and May 18, 2020.