

**CITY OF GARY, INDIANA SUBSTANTIAL AMENDMENT
TO THE 2019 ANNUAL ACTION PLAN**

The following is a summary and language that amends the 2019 Annual Action Plan.

Background:

The City of Gary, Indiana’s federal Consolidated Plan details the funding strategy for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and HOME Investment Partnerships Programs, for the period between 2016 and 2020. The Annual Action Plan details each year within the 5-year Consolidated Plan and outlines the implementation of annual funding, which is developed through significant public input, analyses, and planning.

The City of Gary’s Citizen Participation Plan (CPP) describes the efforts that the City will take to encourage its residents to participate in developing these plans. It also provides requirements for public process when a “substantial amendment” to the Annual Action Plan is proposed. The following changes constitute a substantial amendment and require public notice as described in the CPP:

- A significant change to an activity’s funding priorities or procedures for distribution of funds
- Funding of a new activity not previously described in the Annual Action Plan
- Substantial change in the scope, purpose, location or beneficiary of an activity
- Increases by the greater of 10% change of the total allocation of the City for the year

However, due to COVID-19, the United States Department of Housing and Urban Development (HUD) has issued guidance that waives the Citizen Participation and Consultation requirements for ESG-CV entitlement recipients, although how the allocation will be used must be published on Government web site.

Additionally, HUD has awarded supplemental funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that requires programming in the 2019 Annual Action Plan.

Proposed Substantial Amendment:

The City of Gary is proposing the following amendment to the 2019 Annual Action Plan in order to amend the current distribution of the Administration funds under the Emergency Solutions Grant (ESG-CV) established by the CARES Act.

<u>Project Name:</u>	Continuum of Care Network of NWI HP AND RRH	CARES Act funding from Emergency Solutions Grant (ESG-CV) funding in the amount of \$978,166 made available by the CARES Act will provide rapid rehousing services, homelessness prevention services, and administrative costs. Expenditures will be related to COVID-19 costs for a total of 175 households will be assisted. ESG Allocations by Component - Homeless Prevention: \$628,215; Rapid Rehousing: \$269,235; Administration: \$80,716.
<u>Funding:</u>	ESG-CV	
Original Amount:	\$997,166	
Additional Amount:	(\$19,000)	
Total:	\$978,166	

Project Name:	City of Gary Administration	CARES Act funding from Emergency Solutions Grant (ESG-CV) funding in the amount of \$19,000 made available by the CARES Act will provide funding for the overall general management/oversight/coordination including (but not limited to), monitoring and related costs of grantee staff or others engaged in program management. ESG Allocations by Component: Administration: \$19,000.
Funding:	ESG-CV	
Original Amount:	\$0	
Additional Amount:	\$19,000	
Total:	\$19,000	

Analysis

This proposal qualifies as a substantial amendment because it meets each criteria below:

- Substantial change in funding priorities or procedures for distribution of funds.
- Substantial change in the scope, purpose, location or beneficiary of an activity.

Changes to the 2019 Annual Action Plan are primarily a result of:

1. The reduction in the amount of \$19,000 of the total amount awarded to the Continuum of Care of NWI from \$997,166 to \$978,166. The reduction applies to the Administrative costs originally at \$99,716 and now reduced by \$19,000 to \$80,716.
2. The re-distribution of \$19,000 in Emergency Solutions Grant (ESG-CV) administrative funds from the Continuum of Care Network to the City of Gary.

On page 71 of the approved 2019 Annual Action Plan, amend the ESG CARES (ESG-CV) Grant Project #52 as follows:

AP-38 Project Summary Project Summary Information Table 1 – Project Summary

52	Project:	ESG-CARES (2019)
	Target Area:	Citywide
	Goals Supported:	HO-2 Prevention and Housing AM-1 Overall Coordination
	Needs Addressed:	Homeless Priority
	Funding:	ESG-CV: \$997,166
	Description:	The City will utilize ESG funds, through the Continuum of Care of NWI, to support Homeless Prevention and Rapid Rehousing programs to provide financial assistance to include deposits/ rental assistance, case management services, and other eligible services as needed to keep individuals and families from experiencing homelessness due to the COVID-19 emergency. ESG funds will be used to support the administration of the ESG-CARES program by the Continuum of Care of NWI. ESG Allocations by Component - Homeless Prevention: \$628,215; Rapid Rehousing: \$269,235; CoC Administration: \$80,716 and City of Gary Administration: \$19,000 totaling \$99,716 (10%).