

City of Phoenix

2019-2020 Revised Annual Action Plan Substantial Amendment No.2

Background

The City of Phoenix Annual Action Plan details the funding strategy for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnership (HOME), and Housing Opportunities for Persons with AIDS (HOPWA) programs. Additionally, the Annual Action Plan describes how funds will be used to address the priorities and goals outlined in the 2015-2020 Consolidated Plan.

The City’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:

- Any single change in the planned actual use of CDBG, ESG, HOME and HOPWA funds, as stated in the consolidated plan annual action plan, which exceeds 20 percent of the City of Phoenix’s annual entitlement amount, or
- Any collective change in the planned or actual use of CDBG, ESG, HOME and HOPWA Funds that when accumulated for a new use or adding funds to an existing use, exceeds 20 percent of the City of Phoenix’s annual entitlement amount

Proposed Substantial Amendment

A Substantial Amendment to the 2015-2020 Consolidated Plan’s 2019 Annual Action Plan includes a second allocation of funding to prevent, prepare for and respond to the coronavirus (COVID-19) pursuant to the Coronavirus Aid, Relief and Economic Security Act (CARES Act), Public Law 116-136 and a reallocation of previously allocated CARES Act funding in the total amount of \$33,607,062, which includes \$14,096,369 in Community Development Block Grant (CDBG-CV3*) funds, \$298,445 in previously allocated CARES Act CDBG funds (CDBG-CV1) and \$19,212,248 in Emergency Solutions Grant (ESG-CV2) funds.

The following outlines how the City of Phoenix intends to utilize these ESG and CDBG CV funds to prevent, prepare for, and respond to the COVID-19 national pandemic:

CDBG-CV	
Homeless Support (CDBG-CV3*)	\$11,277,095
Program Administration, Planning and Coordination (CDBG-CV3*)	\$2,819,274
CDBG-CV1 Reallocation	\$298,445
TOTAL CDBG-CV FUNDING	\$14,394,814

**CDBG-CV3 funds are the third round of allocations release by HUD and the second allocation of CDBG-CV funds received by the City of Phoenix.*

ESG-CV2	
Project Haven Expansion	\$2,973,199
Rapid Rehousing for Women and Families	\$2,303,165
Rapid Rehousing for Men	\$1,800,000
Veterans Shelter	\$600,000
Homeless Support	\$11,535,884
TOTAL ESG-CV FUNDING	\$19,212,248

Analysis

This proposal qualifies as a substantial amendment based on the following criteria:

Any collective change in the planned or actual use of ESG Funds that when accumulated for a new use or adding funds to an existing use, exceeds 20 percent of the City of Phoenix's annual entitlement amount

The addition of the allocations authorized by the CARES Act exceed 20 percent of the City's 2019 ESG and CDBG entitlement amount.

Public Process

As part of the CARES Act, HUD approved an abbreviated process to allow flexibility to institute more streamlined requirements to address immediate needs relative to the coronavirus.

The HUD abbreviated process includes the following:

- The reduction of the 30-day public comment period and the implementation of a public comment period of no less than 5 days in an effort to expedite the consolidated plan substantial amendment process and allow the City to respond as quickly as possible to the immediate needs in the community.
- The elimination of the in-person public hearings and the implementation of virtual public hearings when 1) national and or local health authorities recommend social distancing and limiting public gatherings for public health reasons; and 2) virtual hearings provide reasonable notification and access for citizens in accordance with Phoenix' certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses.

The City of Phoenix published a 5-day comment period and public hearing notice in the Arizona Republic on Thursday, February 25, 2021 and Sunday, February 28, 2021, as part of the CPP requirements.

The public comment period is scheduled for March 8, 2021 – March 12, 2021. A virtual public hearing will be held to provide an opportunity for public comment on March 11, 2021, at 1:30pm. The meeting will be hosted virtually, residents can participate, or call and listen to the meeting by registering at the following link:

<https://phoenixpublicmeetings.webex.com/phoenixpublicmeetings/onstage/g.php?MTID=ecbe8eb5fd2608995194e8f7901ce6eb7>

Comments may also be provided to Jessica Gonzalez, Grants Compliance Administrator, by email or phone at jessica.gonzalez@phoenix.gov, or 602-262-4834.